30 October 2025

2QFY26 Results Update | Sector: Internet

Swiggy

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	SWIGGY IN
Equity Shares (m)	2494
M.Cap.(INRb)/(USDb)	1044.7 / 11.8
52-Week Range (INR)	617 / 297
1, 6, 12 Rel. Per (%)	-5/24/-
12M Avg Val (INR M)	6784

Financials & Valuations (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
GOV	345.7	419.6	498.9
Net Sales	229.9	321.0	432.3
Change (%)	51.0	39.7	34.6
EBITDA	-31.9	-13.2	19.4
EBITDA margin (%)	-13.9	-4.1	4.5
Adj. PAT	-39.4	-20.0	8.7
PAT margin (%)	-17.1	-6.2	2.0
RoE (%)	-45.54	-30.89	13.60
RoCE (%)	-41.96	-30.99	5.51
EPS	-17.22	-8.75	3.80
EV/ Sales	4.0	2.9	2.1
Price/ Book	13.5	16.3	13.8

Shareholding Pattern (%)

As On	Sep-25	Jun-25
Promoter	0.0	0.0
DII	16.0	13.5
FII	19.1	15.1
Others	64.9	71.4

FII includes depository receipts

CMP: INR419 **TP: INR550 (+31%)** **Buy**

Preparing for battle, again

Capex moderation aids margins, but competitive risks loom ahead

- Swiggy delivered a revenue of INR55.6b in 2QFY26 (up 12.1% QoQ) vs. our estimate of INR54.6b. The food delivery (FD) business's GOV grew 18.7% YoY, whereas the contribution margin (CM) remained stable at 7.3%. FD's adj. EBITDA as a % of GOV margin improved 40bp QoQ to 2.8% vs. our est. of 2.7%.
- Instamart's GOV was INR70.2b (up 107% YoY) vs. our estimate of INR 69.7b. The contribution margin expanded 200bp QoQ to -2.6%. Adjusted EBITDA as a % of GOV was -12.1% (-15.8% in 1Q), above our estimate of -13.8%.
- Overall, Swiggy posted a net loss of INR11b, marking an increase of 75% YoY.
- For 1HFY26, revenue/adj. EBITDA loss grew 54%/118% YoY. For 2HFY26, we expect revenue to grow 48%, while the adjusted EBITDA loss is expected to decline 15% YoY**.** The combination of steady FD growth, rising Instamart AOV, and easing fixed-cost drag enhances the visibility of positive unit economics. We value the FD business at 30x FY27E adjusted EBITDA and QC using DCF. **We reiterate our BUY rating on Swiggy with a TP of INR550, implying a potential upside of 31%.**

Our view: Competition to pick up, but decent operating leverage as new dark stores ramp up

- **Cash burn reduces in Qcommerce, breakeven expected by 1QFY27:** Both CM and adj. EBITDA for the quick commerce business improved QoQ (CM improved 200bp, and adj. EBITDA margin expanded 370bp). This, coupled with lower capex, reduced the absolute cash burn in Instamart by 50% QoQ.
- **Competitive intensity high, again:** Contrary to last quarter, when most players alluded to reducing competitive intensity, both Eternal and Swiggy now expect heightened competition going forward. We believe this period will be similar to the one we saw last year (2HFY25) in terms of marketing/branding costs. However, one key difference is that the dark store investment pace for most players (especially Swiggy) will be far lower than last year, which saw heightened capex as well as opex (in partner stores). Hence, there is still room for margins to expand. We expect Instamart to reach contribution breakeven by 1QFY27 (in line with company guidance).
- **FD growth in line, but QoQ growth indicates some market share loss:** Swiggy's GOV grew by 5.6% QoQ, a tad slower than Eternal, indicating some market share loss. The company has managed to increase marketing expenses in response to Eternal as both players fight in a slowing FD market. Adj. EBITDA margin, however, improved sequentially, and we expect linear improvement (5% of GOV in the next three years).
- **INR100b QIP fundraise to shore up defenses:** Swiggy plans to raise INR100bn. Its current cash balance is INR46b, and its current burn rate, albeit reducing, gives it a runway of 6-7 quarters, in our opinion. It also expects to net INR25b from its Rapido stake sale. Thus, the fundraise is to shore up its defenses in an intense Qcommerce battle amongst the top 3 players as well as new entrants.

Abhishek Pathak - Research analyst (Abhishek.Pathak@MotilalOswal.com)

Research analyst: Keval Bhagat (Keval.Bhagat@MotilalOswal.com) | **Tushar Dhonde** (Tushar Dhonde@MotilalOswal.com)

Valuation and view

- We believe Swiggy is entering a phase of profitability, supported by operating discipline and improving network efficiency. The combination of steady FD growth, rising Instamart AOV, and easing fixed-cost drag enhances the visibility of positive unit economics.
- Steady improvements in AOV, dark store throughput, and take rates could lead to a material re-rating in profitability, prompting a more constructive stance on the stock.
- We value the FD business at 30x FY27E adjusted EBITDA and QC using DCF. We have brought forward our profitability assumptions for Instamart. **We reiterate our BUY rating with a TP of INR550, implying a potential upside of 31%.**

In-line FD GOV growth and beat on Instamart's adj. EBITDA margin

- Swiggy reported a 2QFY26 net revenue of INR55.6b (+12.1% /54.4% QoQ /YoY) vs. our estimate of INR 54b.
- FD GOV was INR85.4b (up 5.6%/18.7% QoQ/YoY) vs. our estimate of INR86.5b.
- Instamart GOV came in at INR70.2b (up 107% YoY) vs. our estimate of INR 69.7b. Dark store rollouts with 40 new active Dark stores in 2Q. Half of the dark stores were megapods.
- For food delivery, adjusted EBITDA as a % of GOV margin was up 40bp QoQ at 2.8% vs. our estimate of 2.7%.
- Instamart's adjusted EBITDA as a % of GOV was -12.1% (-15.8% in 1Q) vs. our estimate of -13.8%.
- Consol. Adj. EBITDA came in at negative INR6.9b.
- Instamart reported a contribution margin of -2.6% (-4.6% in 1Q) vs. our estimate of -3.3%. This was aided by higher advertising, optimization of customer incentives, increased capacity utilization, and operating leverage.
- Swiggy reported a net loss of INR11b (est. INR11.2b), an increase of 75% YoY.
- Swiggy to consider a fundraise of INR100b through the QIP route.

Key highlights from the management commentary

- **FD:** General softness in discretionary consumption was offset by benign food and fuel inflation and supportive income-tax cuts, which aided spending.
- 10-minute delivery through Swiggy Bolt is now live across 700+ cities, contributing over 10% of total orders.
- The quarter witnessed heightened competitive intensity with lower subscription fees and reduced minimum order values. Swiggy responded by further subsidizing Swiggy One deliveries, balanced by a higher platform fee.
- Growth remains the overarching priority, even as the company continues to progress toward a steady-state margin of 5% of GOV.
- The resilient GOV performance was driven by a growing MTU base, enabled by better execution—particularly in Tier-2 cities—and improved consumer propositions, which also helped expand GOV per MTU.
- 'Bolt' now contributes over 10-12% of total orders. It has a minimal impact on AOV and is not dilutive at the platform level. Its economics are close to the platform average, despite no incremental monetization.
- **Instamart:** Its GOV stood at INR70.2b, up 107% YoY and ~15% QoQ. The company added 40 new dark stores during the quarter, half of which were megapods. It aims to meet or exceed industry growth.

- Sufficient capacity has been built in the dark-store network, capable of handling up to 2x the current business levels.
- AOV rose ~40% YoY to INR 697, led by expansion in non-grocery categories and higher-value basket behavior. Management sees further headroom for AOV expansion as penetration in non-grocery remains low.
- Non-grocery categories contributed 26.2% of GOV (vs. 8.7% YoY), driven by Electronics, Small Appliances, Home & Kitchen, and Toys — each doubling in share over the past two quarters. Pharmacy adoption has also grown faster than other segments.
- Swiggy would consider a fundraise of INR100b through the QIP route. This fundraise aims to bolster growth capital and strategic reserves.
- The company acknowledged that an eventual shift to a partial inventory-led model is possible. Domestic investor shareholding now stands at 43%.

Valuation and view

- We believe Swiggy is entering a phase of profitability, supported by operating discipline and improving network efficiency. The combination of steady FD growth, rising Instamart AOV, and easing fixed-cost drag enhances the visibility of positive unit economics.
- Steady improvements in AOV, dark store throughput, and take rates could lead to a material re-rating in profitability, prompting a more constructive stance on the stock.
- We value the FD business at 30x FY27E adjusted EBITDA and QC using DCF. We have brought forward our profitability assumptions for Instamart. **We reiterate our BUY rating with a TP of INR550, implying a potential upside of 31%.**

Consolidated - Quarterly Earnings Model (INR m)

Y/E march	FY25				FY26E				FY25	FY26	Estimate	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QFY26	(% / bp)
Revenue (net of delivery)	**32,222**	**36,015**	**39,931**	**44,100**	**49,620**	**55,610**	**60,337**	**64,268**	**1,52,268**	**2,29,855**	**54,639**	**1.8**
YoY Change (%)	34.8	30.3	31.0	44.8	54.0	54.4	51.1	45.7	35.4	51.0	51.7	270bp
Inventory of traded goods	11,954	13,874	15,650	18,538	20,640	23,420	26,281	28,248	60,015	98,589	23,207	0.9
Employee Expenses	5,892	6,073	6,568	6,956	6,860	6,900	7,016	7,518	25,489	28,294	6,832	1.0
Delivery expenses	10,460	10,949	11,269	11,614	13,130	14,260	18,262	18,954	44,292	64,606	17,292	-17.5
Gross Profit	**3,916**	**5,119**	**6,444**	**6,992**	**8,990**	**11,030**	**8,779**	**9,548**	**22,472**	**38,347**	**7,309**	**50.9**
Margins (%)	12.2	14.2	16.1	15.9	18.1	19.8	14.5	14.9	14.8	16.7	13	650bp
Advertisement and sales promotion	4,454	5,371	7,515	9,777	10,360	10,390	9,768	9,103	27,117	39,621	9,808	5.9
Others	4,905	5,290	6,185	6,833	8,160	8,620	6,519	7,317	23,213	30,616	7,947	8.5
EBITDA	**-5,442**	**-5,542**	**-7,257**	**-9,618**	**-9,530**	**-7,980**	**-7,508**	**-6,872**	**-27,858**	**-31,890**	**-10,445**	**NA**
Margins (%)	-16.9	-15.4	-18.2	-21.8	-19.2	-14.3	-12.4	-10.7	-18.3	-13.9	-19.1	480bp
Depreciation	1,217	1,309	1,540	2,057	2,880	3,040	2,112	2,249	6,123	10,281	1,912	59.0
Interest	198	231	256	322	410	480	200	200	1,006	1,290	200	140.0
Other Income	879	848	1,028	1,207	870	590	1,300	1,300	3,962	4,060	1,300	-54.6
PBT before EO expense	**-5,978**	**-6,233**	**-8,024**	**-10,790**	**-11,950**	**-10,910**	**-8,520**	**-8,022**	**-31,025**	**-39,401**	**-11,258**	**NA**
Tax	0	0	0	0	0	0	0	0	0	0	0	NA
Rate (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NA	NA	0.0	0bp
Adj PAT	**-5,978**	**-6,233**	**-8,024**	**-10,790**	**-11,950**	**-10,910**	**-8,520**	**-8,022**	**-31,025**	**-39,401**	**-11,258**	**NA**
Extra-Ord expense	-132	-21	35	0	0	0	0	0	-118	0	0	
Minority Interest & P/L of Asso. Cos.	1	1	1	22	10	10	0	0	26	20	0	
Reported PAT	**-6,111**	**-6,255**	**-7,991**	**-10,812**	**-11,960**	**-10,920**	**-8,520**	**-8,022**	**-31,169**	**-39,421**	**-11,258**	**-3.0**
YoY Change (%)	NA	NA	NA	NA	NA	NA	NA	NA	33%	26%	NA	NA
Margins (%)	-19.0	-17.4	-20.0	-24.5	-24.1	-19.6	-14.1	-12.5	-20.5	-17.2	-20.6	NA

Exhibit 1: Key performance indicators – FD business

Particulars	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26
Avg MTU (m)	14.7	14.9	15.1	16.3	17.2
Avg. MT Restaurant Partners (m)	0.23	0.24	0.25	0.26	0.26
GOV (INR m)	71,910	74,360	73,470	80,860	85,420
GOV/MTU	4,892	4,991	4,866	4,961	4,966

Source: Company, MOFSL

Exhibit 2: Key performance indicators – QC business

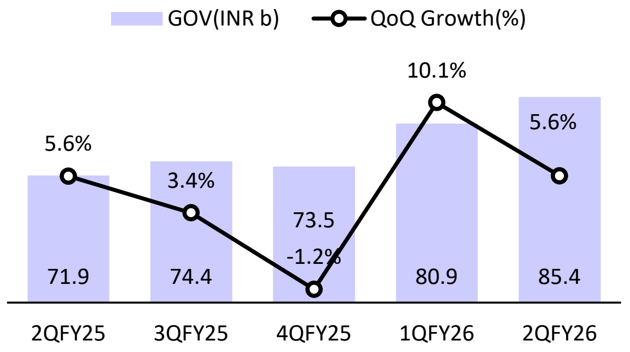
Particulars	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26
Orders (m)	68	73	88	92	100
AOV	499	534	527	612	697
Avg. MTU (m)	6.2	7.0	9.8	11.1	12.0
Active Dark Stores	609	705	1021	1062	1102
Orders/Dark store/Day	1210	1151	964	963	1016
Active Dark Store Area (m Sq ft)	1.95	2.45	3.97	4.3	4.59

Source: Company, MOFSL

Story in charts

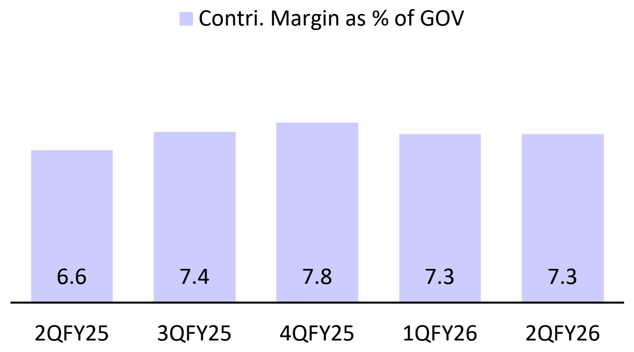
Food Delivery

Exhibit 3: FD GOV was up 5.6% in 2Q due to high competitiveness



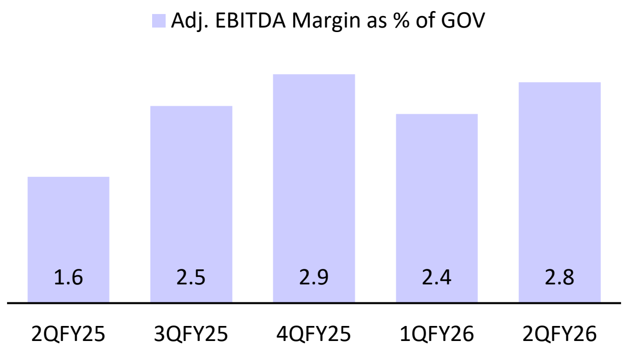
Source: MOFSL, Company

Exhibit 4: CM stable QoQ at 7.3%



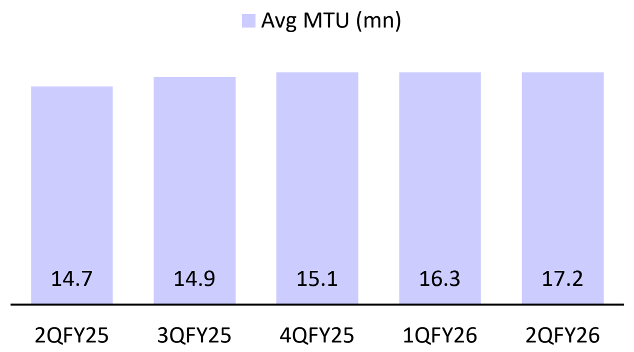
Source: MOFSL, Company

Exhibit 5: Adj. EBITDA margin expanded 40bp



Source: MOFSL, Company

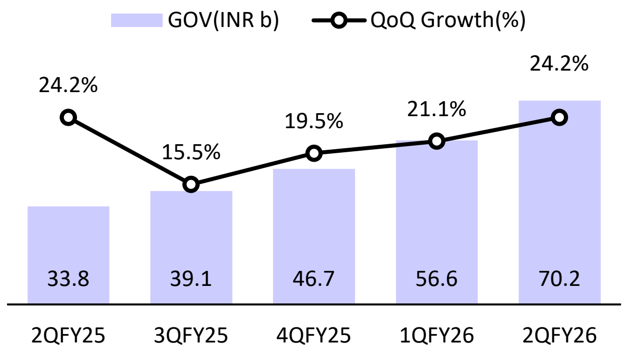
Exhibit 6: Avg. MTU growing sequentially



Source: MOFSL, Company

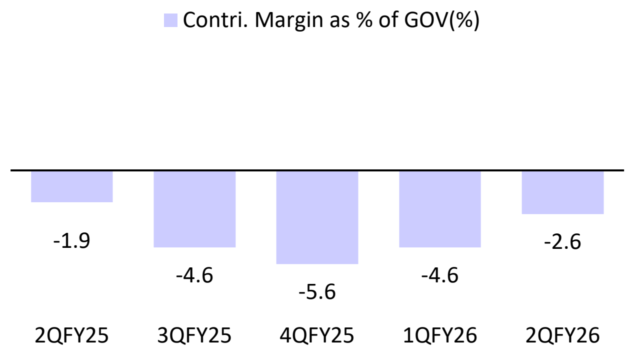
Instamart

Exhibit 7: QC GOV grew 24.2% QoQ



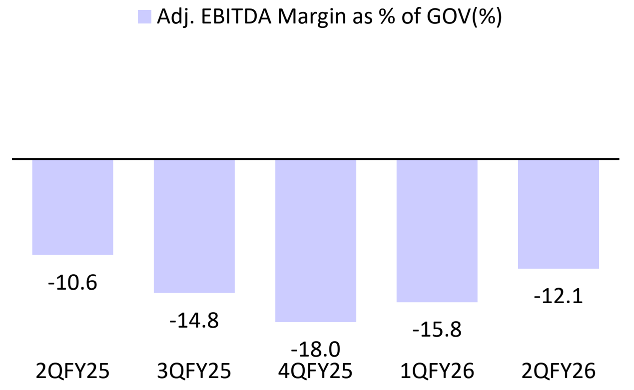
Source: MOFSL, Company

Exhibit 8: CM expanded 200bp QoQ



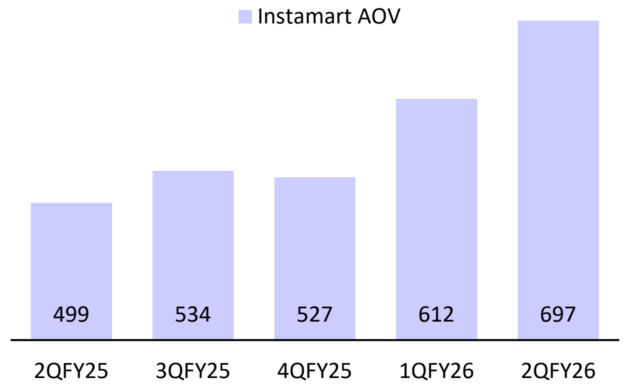
Source: MOFSL, Company

Exhibit 9: Adj. EBITDA margin above our estimates



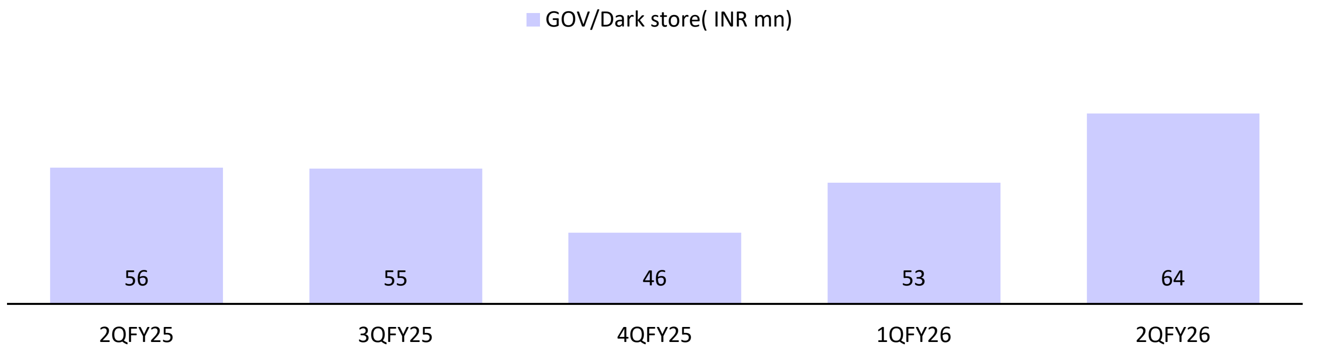
Source: MOFSL, Company

Exhibit 10: Instamart's AOV up 40% YoY



Source: MOFSL, Company

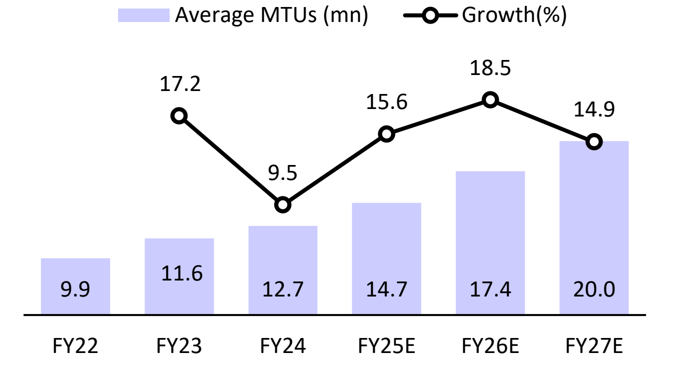
Exhibit 11: With Swiggy slowing its pace of dark store expansion, existing stores are witnessing steady improvement in AOV and throughput, supporting higher GOV per dark store



Source: Company, MOFSL

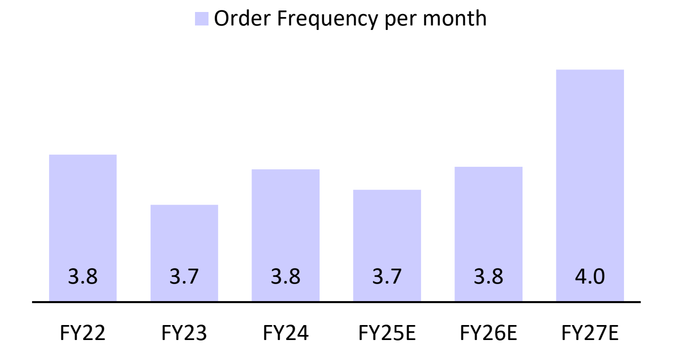
What do we expect – our estimates

Exhibit 12: Expect MTUs to grow in the mid-teens



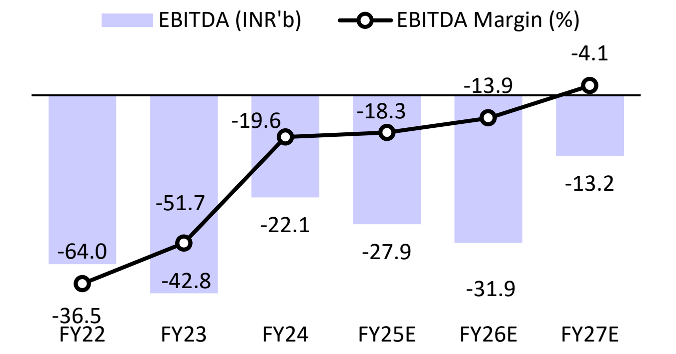
Source: MOFSL, Company

Exhibit 13: Order frequency to grow steadily



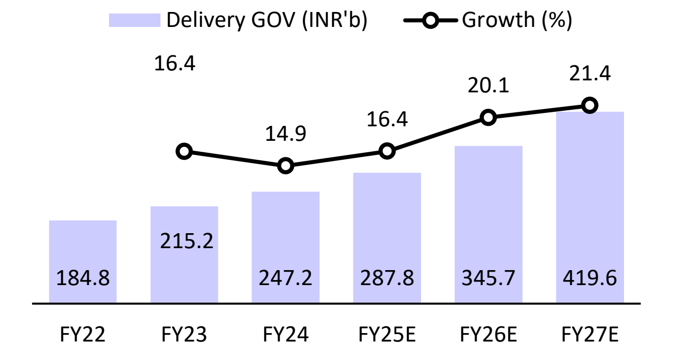
Source: MOFSL, Company

Exhibit 14: Expect the EBITDA loss margin to reduce to a low single digit



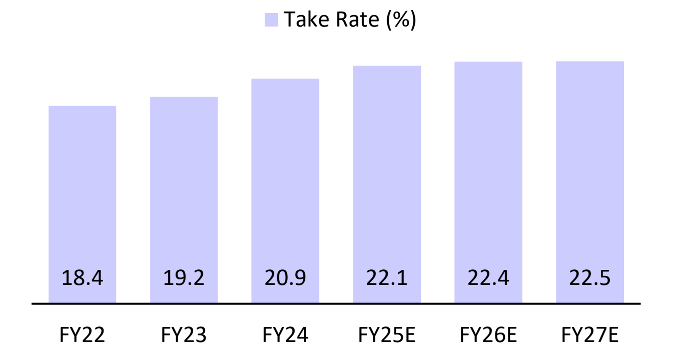
Source: MOFSL, Company

Exhibit 15: FD GOV growth to accelerate as Bolt adoption drives GOV



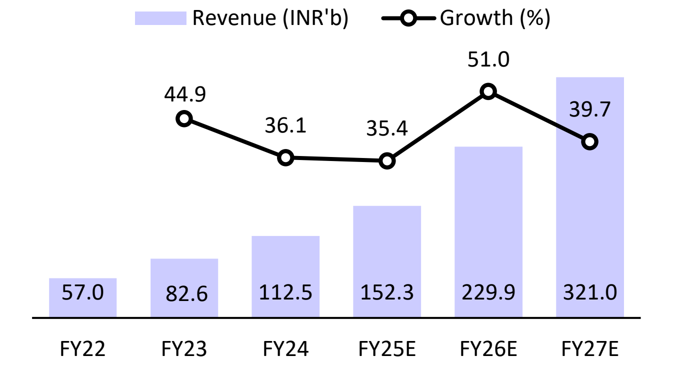
Source: MOFSL, Company

Exhibit 16: Expect take rates to remain steady



Source: MOFSL, Company

Exhibit 17: Revenue to grow, led by Instamart's business expansion



Source: MOFSL, Company

CONFERENCE CALL

Key highlights from the management commentary

Demand and growth outlook

- **FD**: General softness in discretionary consumption was offset by benign food and fuel inflation, and supportive income-tax cuts, which aided spending.
- 10-minute delivery through *Swiggy Bolt* is now live across 700+ cities, contributing over 10% of total orders.
- The "99 stores" format has scaled up to 500 cities and is already contributing a high single-digit share of total orders.
- The quarter witnessed heightened competitive intensity with lower subscription fees and reduced minimum order values. Swiggy responded by further subsidizing *Swiggy One* deliveries, balanced by a higher platform fee.
- Growth remains the overarching priority, even as the company continues to progress toward a steady-state margin of 5% of GOV.
- **Instamart**: GOV growth (up 107% YoY). The company added 40 new dark stores during the quarter, half of which were megapods. It aims to meet or exceed industry growth.
- Improved delivery speed (via a denser network), selection (over 30k SKUs, up 2x QoQ), and value (through *Maxxsaver* and *QIM Sale*) have strengthened the customer proposition.
- The *Quick India Movement* campaign successfully increased awareness of non-grocery use cases, driving sustained traffic even post-campaign.
- The company continues to see strong participation from general merchandise brands looking to leverage the QC channel.
- Swiggy remains selective in user acquisition, focusing on quality cohorts via minimum order thresholds, free delivery limits, and coupon-based targeting.
- Order growth was intentionally moderated in favor of higher-value baskets, with GOV/user up 15% QoQ.
- Average order value (AOV) rose ~40% YoY to INR 697, led by expansion in non-grocery categories and higher-value basket behavior. Management sees further headroom for AOV expansion as penetration in non-grocery remains low.
- Non-grocery categories contributed 26.2% of GOV (vs. 8.7% YoY), driven by Electronics, Small Appliances, Home & Kitchen, and Toys — each doubling in share over the past two quarters. Pharmacy adoption has also grown faster than other segments.
- While grocery remains the largest consumer wallet share, non-grocery's rising contribution will continue, being both wallet-share and bottom-line accretive. Grocery remains the entry point and flywheel for category expansion.
- Focus remains on improving GOV/sq ft (+16.1% QoQ) and spend per user (+15% QoQ), viewed as the key drivers of platform economics.
- Orders per dark store/day rose 4% QoQ to 1,025. Dark stores can operate at 2,000+ orders/day (megapods at higher levels). Hence, store additions are not a near-term growth bottleneck.
- The current trajectory positions the business to potentially double GOV in a year.
- Instamart MTUs grew organically to 12 mn, driven by stronger brand marketing and improved user retention. The transition from new to mature users is expected to further lift frequency and GOV/user.

- Competition remains steady with periodic intensity shifts; Swiggy continues to maintain pricing discipline.
- Introduction of some of the non-grocery SKUs is recent, expected to drive incremental margin gains in the upcoming quarters.
- New dark stores achieve CM-level breakeven within 6–12 months at 800–1,000 daily orders.
- Focus remains on densifying existing cities rather than expanding to new ones.
- Advertising revenue as a % of GOV can reach 6–7% at steady state (currently ~3.5–4%), positioning QC as a key ad platform for brands.

Margins

- FD CM remained stable over the last quarter as the function invested in growth, and heightened competition was observed in the quarter. EBITDA margins improved 44bp QoQ. The company continued to guide for medium-term EBITDA margins of 5%.
- Instamart adjusted EBITDA as a % of GOV was -12.1% (-15.8% in 1Q). Instamart reported a contribution margin of -2.6% (-4.6% in 1Q). This was aided by higher advertising, optimization of customer incentives, increased capacity utilization, and operating leverage.
- ~25% of stores are now profitable vs sub-10% just two quarters ago, with ~50 stores now operating at above 3% CM (and the top cohort already operating at >5%).
- Reiterated CM level breakeven by Jun'2026(1QFY27) for QC. If achieved earlier, wants to retain the flexibility to reinvest in growth. Have conviction to get to 4% EBITDA margins and 7% CM levels.

Valuation and view

- We believe Swiggy is entering a phase of profitability, supported by operating discipline and improving network efficiency. The combination of steady FD growth, rising Instamart AOV, and easing fixed-cost drag enhances the visibility of positive unit economics.
- Steady improvements in AOV, dark store throughput, and take rates could lead to a material re-rating in profitability, prompting a more constructive stance on the stock.
- We value the FD business at 30x FY27E adjusted EBITDA and QC using DCF. We have brought forward our profitability assumptions for Instamart. **We reiterate our BUY rating with a TP of INR550, implying a potential upside of 31%.**

Exhibit 18: Summary of our revised estimates

	Revised			Earlier			Change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue (INR m)	2,29,855	3,21,045	4,32,284	2,28,845	3,26,669	4,38,547	0.4%	-1.7%	-1.4%
EBITDA (INR m)	-31,870	-13,163	19,424	-34,738	-11,284	10,315	-8.3%	16.6%	88.3%
EBITDA Margin	-13.9	-4.1	4.5	-15.2	-3.5	2.4	131bp	-65bp	214bp
PAT	-39,381	-20,000	8,694	-40,131	-18,318	-634	-1.9%	9.2%	NA
PAT Margin	-17.1	-6.2	2.0	-17.5	-5.6	-0.1	40bp	-62bp	NA
EPS	-17.22	-8.75	3.80	-17.55	-8.01	-0.28	-1.9%	9.2%	NA

Source: MOFSL

Exhibit 19: DCF assumptions and valuation

DCF Assumptions & Valuation	
Quick Commerce	
Order growth (FY25-37)	26.0%
AOV growth (FY25-37)	4.4%
GOV growth (FY25-37)	31.5%
FY37 GOV USDm	46,572
FY37 EBITDA (% of GOV)	5.0%
WACC	12.5%
Terminal growth	6.5%

Source: MOFSL

Exhibit 20: SoTP-based TP at INR550

Segment	Methodology	Methodology description	Valuation toward SWIGGY (INR b)	Contribution (INR per share)
Food Delivery Business	Multiples	❖ 30x FY27E EV/EBITDA	492	215
Quick Commerce Business	DCF	❖ Estimate 31% GOV CAGR and avg. contribution margin of 3.7% over FY25-37. Our WACC/terminal growth estimate stands at 12.5%/6.5%, respectively.	623	273
Other businesses		❖ Ascribing ~USD1bn value to Out of Home Consumption and Supply Chain businesses	83	36
Cash on the books			46	20
Total (Rounded)				**550**

Source: MOFSL

Revenue Model (INR m)

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
MTU (m)	9.9	11.6	12.7	14.7	17.4	20.0	23.0
Order Frequency	3.8	3.7	3.8	3.7	3.8	4.0	4.0
Orders/ Month	37.8	43.1	48.1	55.0	66.1	80.2	92.6
Orders/ Year	454	517	578	660	793	962	1,111
AOV	407	416	428	436	436	436	449
Delivery GOV	**1,84,788**	**2,15,171**	**2,47,174**	**2,87,823**	**3,45,662**	**4,19,568**	**4,98,887**
Take Rate (%)	18.4	19.2	20.9	22.1	22.4	22.5	22.5
Delivery Revenue	**33,913**	**41,300**	**51,601**	**63,529**	**77,591**	**94,403**	**1,12,250**
Instamart Revenue	828	4,514	9,786	21,296	42,884	78,834	1,32,176
Out-of-home consumption revenue	0	777	1,572	2,385	3,516	5,008	6,249
Others	22,307	36,056	49,515	65,058	1,05,865	1,42,800	1,81,610
Revenue	**57,049**	**82,646**	**1,12,474**	**1,52,268**	**2,29,855**	**3,21,045**	**4,32,284**

Financials and valuations

Income statement							(INR m)
Y/E March	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Sales	**57,049**	**82,646**	**1,12,474**	**1,52,268**	**2,29,855**	**3,21,045**	**4,32,284**
Change (%)	NA	44.9	36.1	35.4	51.0	39.7	34.6
Inventory of traded goods	22,680	33,809	46,042	60,015	98,589	1,35,788	1,72,731
Employee Expenses	17,085	21,298	20,122	25,489	28,294	36,181	38,359
Other direct expenses	199	6,241	26,189	41,275	74,679	1,12,895	1,82,835
Gross Profit	**17,284**	**27,539**	**46,310**	**66,764**	**1,02,973**	**1,49,076**	**2,21,194**
% of Net Sales	30.3	33.3	41.2	43.8	44.8	46.4	51.2
Other Expenses	53,794	70,297	68,390	94,622	1,34,843	1,62,239	2,01,770
EBITDA	**-36,511**	**-42,758**	**-22,080**	**-27,858**	**-31,870**	**-13,163**	**19,424**
% of Net Sales	-64.0	-51.7	-19.6	-18.3	-13.9	-4.1	4.5
Depreciation	1,701	2,858	4,206	6,123	10,281	11,237	15,130
EBIT	**-38,212**	**-45,616**	**-26,286**	**-33,981**	**-42,151**	**-24,400**	**4,294**
% of Net Sales	-67.0	-55.2	-23.4	-22.3	-18.3	-7.6	1.0
Other Income (net)	3,665	3,917	3,156	2,956	2,770	4,400	4,400
PBT	**-34,547**	**-41,699**	**-23,130**	**-31,025**	**-39,381**	**-20,000**	**8,694**
Tax	0	0	0	0	0	0	0
Rate (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PAT	**-34,547**	**-41,699**	**-23,130**	**-31,025**	**-39,381**	**-20,000**	**8,694**
Extraordinary gains/loss	1,732	93	306	118	0	0	0
Adjusted PAT	**-36,279**	**-41,792**	**-23,436**	**-31,143**	**-39,381**	**-20,000**	**8,694**
Minority Interest	10	1	66	26	20	0	0
Reported PAT	**-36,289**	**-41,793**	**-23,502**	**-31,169**	**-39,401**	**-20,000**	**8,694**
Change (%)	NA	NA	NA	NA	NA	NA	NA

Balance Sheet							(INR m)
Y/E March	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Share capital	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	68,487	56,447	66,871
Net Worth	**1,22,669**	**90,566**	**77,915**	**1,02,195**	**70,773**	**58,734**	**69,158**
Loans	0	0	960	0	0	0	0
Capital Employed	**1,22,669**	**90,566**	**78,874**	**1,02,195**	**70,773**	**58,734**	**69,158**
Net Block	**7,738**	**8,596**	**10,406**	**26,838**	**27,891**	**29,496**	**27,334**
Intangibles	272	6,455	10,008	9,470	9,470	9,470	9,470
Other LT assets	14,711	19,529	17,514	24,690	24,690	24,690	24,690
Curr. Assets	**1,21,336**	**78,227**	**67,366**	**91,056**	**58,403**	**51,900**	**73,198**
Debtors	11,119	10,623	9,639	24,625	19,698	27,512	37,045
Cash & Bank Balance	10,961	8,325	8,691	12,306	34,601	20,283	32,048
Investments	90,757	48,885	37,323	33,921	0	0	0
Other Current Assets	8,498	10,393	11,714	20,203	4,105	4,105	4,105
Current Liab. & Prov	**21,388**	**22,240**	**26,420**	**49,858**	**49,680**	**56,822**	**65,535**
Net Current Assets	**99,948**	**55,987**	**40,946**	**41,197**	**8,723**	**-4,922**	**7,664**
Application of Funds	**1,22,669**	**90,566**	**78,874**	**1,02,195**	**70,773**	**58,734**	**69,158**

Financials and valuations

Ratios

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Basic (INR)							
EPS	**-18.6**	**-19.3**	**-10.7**	**-13.6**	**-17.2**	**-8.7**	**3.8**
Cash EPS	-17.8	-18.0	-8.8	-11.0	-12.7	-3.8	10.4
Book Value	63.0	41.9	35.5	44.7	31.0	25.7	30.2
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payout %	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Valuation (x)							
P/E	NA	NA	NA	NA	NA	NA	NA
Cash P/E	NA	NA	NA	NA	NA	NA	NA
EV/EBITDA	NA	NA	NA	NA	NA	NA	NA
EV/Sales	14.1	10.8	8.1	6.2	4.0	2.9	2.1
Price/Book Value	6.6	10.0	11.8	9.4	13.5	16.3	13.8
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profitability Ratios (%)							
RoE	(29.6)	(39.2)	(27.8)	(34.6)	(45.5)	(30.9)	13.6
RoCE	(30.0)	(40.9)	(29.2)	(33.9)	(42.0)	(31.0)	5.5
Turnover Ratios							
Debtors (Days)	71	47	31	59	31	31	31
Fixed Asset Turnover (x)	7.4	9.6	10.8	5.7	8.2	10.9	15.8

Cash Flow Statement (INR m)

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
CF from Operations	-32,128	-39,460	-15,115	-15,474	-23,910	-5,203	21,154
Cash for Working Capital	-6,876	-1,139	1,988	-6,221	4,750	-673	-820
Net Operating CF	**-39,004**	**-40,599**	**-13,127**	**-21,695**	**-19,160**	**-5,876**	**20,334**
Net Purchase of FA	-2,274	-1,573	-3,440	-7,433	36,789	0	0
Free Cash Flow	**-41,278**	**-42,172**	**-16,567**	**-29,128**	**17,628**	**-5,876**	**20,334**
Net Purchase of Invest.	-89,327	41,251	18,025	-6,291	5,957	-7,642	-7,769
Net Cash from Invest.	**-91,601**	**39,678**	**14,585**	**-13,724**	**42,745**	**-7,642**	**-7,769**
Proc. from equity issues	1,39,058	0	0	45,043	0	0	0
Proceeds from LTB/STB	-918	0	1,076	-1,643	0	0	0
Others	-1,799	-1,715	-2,304	-4,367	-1,290	-800	-800
Dividend Payments	0	0	0	0	0	0	0
Cash Flow from Fin.	**1,36,341**	**-1,715**	**-1,228**	**39,034**	**-1,290**	**-800**	**-800**
Net Cash Flow	**5,736**	**-2,636**	**229**	**3,615**	**22,295**	**-14,317**	**11,765**
Opening Cash Bal.	**5,225**	**10,961**	**8,325**	**8,691**	**12,306**	**34,601**	**20,283**
Forex differences	0	0	137	0	0	0	0
Add: Net Cash	5,736	-2,636	229	3,615	22,295	-14,317	11,765
Closing Cash Bal.	**10,961**	**8,325**	**8,691**	**12,306**	**34,601**	**20,283**	**32,048**

Explanation of Investment Rating	
Investment Rating	**Expected return (over 12-month)**
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412 and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL),NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx. As per Regulatory requirements, Research Audit Report is uploaded on www.motilaloswal.com > MOFSL-Important Links > MOFSL Research Analyst Compliance Audit Report.

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the"1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore.This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL .

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.

Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
Contact: (+65) 8328 0276

Specific Disclosures

1. Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies).
   MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: Yes.
   Nature of Financial interest is holding equity shares or derivatives of the subject company
2. Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.
   MOFSL has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report:No
3. Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.
   MOFSL may have received compensation from the subject company(ies) in the past 12 months.
4. Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.
   MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
5. Research Analyst has not served as an officer, director or employee of subject company(ies).
6. MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
7. MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
8. MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
9. MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
10. MOFSL has not engaged in market making activity for the subject company.

The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028, AMFI registered Mutual Fund Distributor and SIF Distributor: ARN .: 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.