

PB Fintech | REDUCE

Better to block out the noise; upgrade to Reduce

Indian insurance has been in the news recently as a result of changes to [GST rules](#), potential launch of [Bima Sugam](#) and [supposed regulatory pressure](#) on distributor commissions. The resulting uncertainty has resulted in PB Fintech correcting almost 10% since Sep 4th, 2025 – the date of GST 2.0 announcement. Though we believe the correction was overdue considering the rich valuations but we do not expect any material impact to PB Fintech's medium to long-term prospects. In fact, exemption of GST on all individual life and health policies should be directionally positive for the sector. While a platform being pushed by the regulator itself could be termed a long-term risk, we still believe most of the issues raised in [our earlier note](#) still remain unresolved. With risk-reward becoming relatively favourable, we change our rating from 'Sell', as per our previous rating system, to 'REDUCE' in the new rating system with a Sep'26 TP of INR 1,610.

- **Expect Input Tax Credit (ITC) to be passed on to the customers over-time:** With GST rate being reduced to zero in all individual life and health policies (and reinsurance thereof), focus has shifted to ITC absorption. As the zero GST regime also comes with no ITC benefit, insurers would see a hit to their profitability assuming everything else remains the same. The hit would likely vary depending on the mix of individual policies for each insurer and we expect it to be passed on to the customers themselves. As per our [customer checks](#), it might have already started to happen. However, we would not rule out a near-term dilution in commission rates as insurers and distributors share the burden of ITC.
- **Bima Sugam still has questions to answer when it comes to execution:** Bima Sugam India Federation (BSIF) has been formed as a "not for profit company" to establish a Digital Public Infrastructure (DPI) in the form of an electronic insurance marketplace. The idea is to democratise insurance by integrating insurers, consumers, intermediaries as well as insurance agents on the interoperable platform with open standards. The use cases involve purchase, sale, servicing, claims settlement and grievance redressal. While the proposition seems benevolent, substantial execution risks remain as demonstrated by 2.5+ years of delay from its initial launch date. While the portal is finally live, insurance marketplace is still expected to 'come soon'. Furthermore, clarity is needed with regards to funding customer acquisition investments as well as customer support function as a large majority of health and life insurance still comes via the assisted channel. For comparison, Policybazaar invested c. INR 15bn (as per JMFe) across digital marketing and customer support functions in FY25.
- **Upgrade to REDUCE (new rating system) with Sep'26 TP of INR 1,610:** With the stock going through a time-correction since we downgraded to Sell last September, we now find marginally improved risk-reward. Hence, we upgrade the rating to Reduce as per our new rating system, still remaining cognisant of a tougher demand (Savings business, particularly) environment and regulatory tail risks. We value PB Fintech at 50x Sep'27 EV/EBITDA considering near-term revenue growth around Q1FY26 levels with contribution margin accretion driven by rising renewals mix and Paisabazaar expansion.

Financial Summary					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	34,377	49,772	66,217	84,177	1,04,450
Sales Growth (%)	34.4	44.8	33.0	27.1	24.1
EBITDA	-1,863	907	5,713	11,361	17,787
EBITDA Margin (%)	-5.4	1.8	8.6	13.5	17.0
Adjusted Net Profit	670	3,500	6,843	11,551	16,613
Diluted EPS (INR)	1.4	7.2	14.0	23.7	34.1
Diluted EPS Growth (%)	0.0	423.0	95.5	68.8	43.8
ROIC (%)	-32.5	-2.7	21.4	40.2	64.5
ROE (%)	1.2	5.7	10.0	14.5	17.4
P/E (x)	1,222.1	233.7	119.5	70.8	49.2
P/B (x)	12.9	11.7	10.3	8.8	7.2
EV/EBITDA (x)	-382.9	792.3	126.1	61.9	38.6
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0

Source: Company data, JM Financial. Note: Valuations as of 26/Sep/2025



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Recommendation and Price Target

Current Reco.	REDUCE
Previous Reco.	SELL
Current Price Target (12M)	1,610
Upside/(Downside)	-4.0%
Previous Price Target	1,550
Change	3.9%

Key Data – POLICYBZ IN

Current Market Price	INR1,677
Market cap (bn)	INR770.2/US\$8.7
Free Float	99%
Shares in issue (mn)	450.1
Diluted share (mn)	487.7
3-mon avg daily val (mn)	INR2,316.7/US\$26.1
52-week range	2,255/1,311
Sensex/Nifty	80,426/24,655
INR/US\$	88.7

Price Performance

%	1M	6M	12M
Absolute	-8.6	4.1	-0.5
Relative*	-9.3	0.2	5.8

* To the BSE Sensex

JM Financial Research is also available on: Bloomberg - JMFR <GO>, FactSet, LSEG and S&P Capital IQ.

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

- **Is IRDAI really pushing for lower commissions?:** With IRDAI having switched to an Expenses of Management (EOM) regime starting April 1st 2024, the idea was to provide flexibility to insurers in deciding their commissions and other expenses. With most general insurers and SAHI players still hovering close to or higher than the allowed EOM limit, there has been consistent media chatter of something coming from IRDAI itself to lower the commissions. With no official statement from IRDAI, we believe this is mostly hearsay and holds no substance. Furthermore, even if insurers are actually forced to lower commissions, Policybazaar is likely to be the least impacted thanks to the lower combined operating ratio (sum of loss ratio and expense ratio) on the policies issued by it.

Exhibit 1. Snippet of a customer communication email from a SAHI player, suggesting rising renewal premium in the name of medical inflation

..... And much more.

We are a "Customer First" company and we thrive to provide best of the features at competitive prices to you.

Like general inflation, medical inflation is a reality. The cost of treatments has been going up, in fact faster than general inflation. We have revised [redacted] premium and have taken efforts to ensure that such revisions stay as low as possible and continue to be pocket friendly while beating inflation.

You would find [redacted], even with the premium revision, to be one of the most competitively priced plans with industry leading benefits in the industry. As promised, even with an inflation related premium adjustment, your age-linked premium benefit remains locked. This means that your premiums will still be based on your original, younger age-helping you save as you grow older!

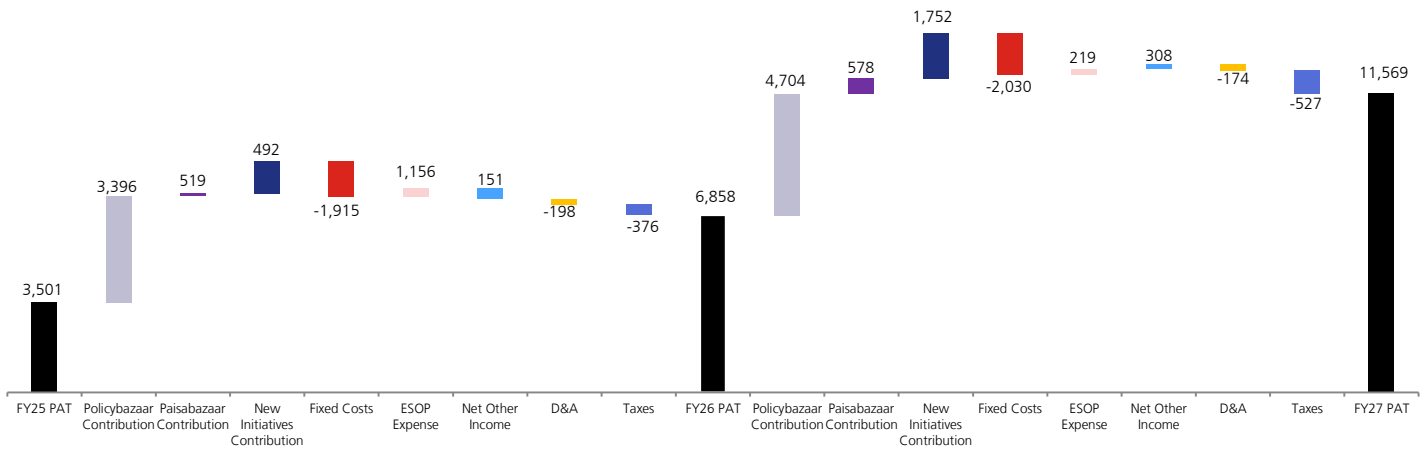
This change will be applicable on the new premium and will be communicated to you as part of Renewal Communication in due time.

In case if you have any queries about your specific policy, please visit [Insta Assist](#).

Source: JM Financial Customer Checks

- **What will make us upgrade further?:** While we are appreciative of PB Fintech's business model and dominance in a sector with long-term tailwinds, we believe the valuations need to incorporate a certain regulatory discount. Furthermore, there remains the risk of a significant dip in new business premium (NBP) growth rate while contribution margins are yet to pick up structurally. A sustained reversal to 30%+ NBP growth along with existing business CM sustaining in high forties would certainly deserve a relook. We would also be more constructive if the company maintains a clear demarcation between PB Fintech and PB Health.
- **Regulatory concerns:** The insurance segment continues to be under heavy regulatory scrutiny with regards to commissions, distribution models, capital adequacy, expenses of management (EoM) etc. by the IRDAI and there exist potential risks with regard to regulatory headwinds. Furthermore, one of the key emerging risks is the upcoming launch of 'Bima Sugam', a government-backed, unified digital insurance marketplace. While Bima Sugam aims to improve insurance penetration in India along with enhancing access for consumers, its widespread adoption could reduce the reliance on private aggregators like Policybazaar. If the government actively invests in and promotes Bima Sugam, it could erode Policybazaar's platform advantage and disrupt its distribution-led revenue model (similar to how the push for UPI reduced the relevance of Paytm's wallet business).
- **Healthcare foray likely a distraction:** [PB Health recently raised USD 218mn in funding](#), including USD 50mn / USD 62mn / USD 90mn / c.USD 12-15mn from General Catalyst / PB Fintech / Institutional Investors / Individual Investors. Individual investors include Mr. Yashish Dahiya and Mr. Alok Bansal. The funds will be used to build PB Health's initial hospital network in the Delhi-NCR region. The management noted that the company aims to have 4-5 operating hospitals by the end of year 1 (c.600-1,000beds), with long term plan to build a 25-30 hospital network across 10 cities. Of these, 2-3 assets will be acquired as already operating hotels, while another 2-3 would be purchased at initial stages and converted into hospitals rapidly. Additionally, the company has also begun onboarding doctor and other experienced professionals. However, there has been no evidence of active management hiring under 'PB Healthcare' yet, leading us to strengthen our belief that this foray is weighing on PB Fintech's management bandwidth.

Exhibit 2. Journey to FY27 PAT Guidance: Waterfall chart (in INR mn)



Source: Company, JM Financial

Exhibit 3. Journey to FY27 PAT Guidance

Journey to FY27 PAT Guidance	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Core Policybazaar								
Total Premium	161,444	215,341	274,984	341,470	416,169	499,357	591,922	695,057
New Business Premium	79,781	99,503	121,552	146,229	175,430	208,035	243,617	283,074
Renewal Premium	81,663	115,837	153,432	195,241	240,739	291,322	348,306	411,983
Total Revenue	25,721	34,254	43,467	53,891	65,576	78,559	92,973	108,999
New Business Revenue	20,221	26,345	32,970	40,166	47,898	56,098	65,209	75,187
Take-rate (%)	25.3%	26.5%	27.1%	27.5%	27.3%	27.0%	26.8%	26.6%
Renewal Revenue	5,500	7,909	10,497	13,725	17,678	22,461	27,765	33,812
Take-rate (%)	6.7%	6.8%	6.8%	7.0%	7.3%	7.7%	8.0%	8.2%
Contribution from Policybazaar	11,079	15,179	19,883	25,312	31,520	38,695	46,756	55,874
Contribution margin (%)	43.1%	44.3%	45.7%	47.0%	48.1%	49.3%	50.3%	51.3%
New Business Contribution	6,404	8,694	11,276	14,058	17,024	20,248	23,911	28,002
Contribution margin (%)	31.7%	33.0%	34.2%	35.0%	35.5%	36.1%	36.7%	37.2%
Renewal Contribution	4,675	6,486	8,608	11,254	14,496	18,447	22,845	27,872
Contribution margin (%)	85.0%	82.0%	82.0%	82.0%	82.0%	82.1%	82.3%	82.4%
Incremental Contribution from Core Policybazaar	3,042	4,100	4,704	5,429	6,208	7,175	8,061	9,118
Paisabazaar								
Disbursals	119,593	120,132	148,128	176,784	207,467	242,611	282,040	327,482
Revenue	5,003	5,296	6,404	7,599	8,887	10,362	12,046	14,003
Take-rate (%)	4.2%	4.4%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%
Contribution from Paisabazaar	2,211	2,304	2,882	3,514	4,199	4,974	5,890	7,001
Contribution margin (%)	44.2%	43.5%	45.0%	46.3%	47.3%	48.0%	48.9%	50.0%
Incremental Contribution from Paisabazaar	-336	92	578	633	684	775	917	1,111
New Initiatives								
Premium	73,415	99,128	129,397	163,867	202,340	245,276	291,132	340,211
Revenue	19,048	26,667	34,306	42,960	52,643	63,450	74,977	87,321
Take-rate (%)	25.9%	26.9%	26.5%	26.2%	26.0%	25.9%	25.8%	25.7%
Contribution from New Initiatives	405	1,793	3,664	5,764	7,896	9,848	12,029	14,546
Contribution margin (%)	2.1%	6.7%	10.7%	13.4%	15.0%	15.5%	16.0%	16.7%
Incremental Contribution from New Initiatives	730	1,248	1,752	2,001	2,054	1,898	2,122	2,448
Change in Fixed Costs	-1,804	-1,365	-1,605	-1,717	-1,845	-2,069	-2,284	-2,486
Adj. EBITDA	3,072	7,147	12,577	18,923	26,025	33,803	42,620	52,810
Adj. EBITDA Margin	6.2%	10.8%	14.9%	18.1%	20.5%	22.2%	23.7%	25.1%
Change in ESOP Expense	1,157	322	219	80	-114	-123	-132	-142
Change in Net Other Income	198	-413	186	847	948	1,205	1,487	2,020
Change in D&A	-326	-209	-233	-209	-207	-208	-215	-225
Change in Taxes	-218	-417	-891	-1,999	-2,652	-2,937	-2,509	-2,985
PAT	3,501	6,858	11,569	16,634	21,711	27,427	34,874	43,734

Source: Company, JM Financial

Upgrade to REDUCE; TP increased to INR 1,610

Exhibit 4. Valuation Maths

Particulars	EBITDA
PolicyBazaar Metric (INR bn) - Sep'27	14.6
Target EV/EBITDA multiple	50.0x
Discounted Enterprise value (INR bn) - TP Date	729
Net Debt (INR bn) -TP Date	-58.5
Market value (INR bn) - TP Date	787
Diluted equity shares (mn)	488.1
1-year forward target price (INR per share)	1,610

Source: Company, JM Financial

Exhibit 5. What has changed in our forecast and assumptions?

	OLD				NEW				Change			
	FY26E	FY27E	FY28E	FY29E	FY26E	FY27E	FY28E	FY29E	FY26E	FY27E	FY28E	FY29E
Consolidated revenue (INR mn)	66,171	83,898	104,069	126,912	66,217	84,177	104,450	127,106	0.1%	0.3%	0.4%	0.2%
Revenue growth rate (YoY)	32.9%	26.8%	24.0%	21.9%	33.0%	27.1%	24.1%	21.7%	9bps	33bps	4bps	-26bps
EBITDA margin	8.7%	13.5%	17.1%	19.5%	8.6%	13.5%	17.0%	19.5%	-5bps	4bps	-4bps	-4bps
Adj. EBITDA Margin (ex-ESOP)	11.4%	15.4%	18.5%	20.8%	11.4%	15.4%	18.5%	20.8%	-5bps	3bps	-4bps	-4bps
EBIT margin	6.5%	11.4%	15.2%	17.9%	6.5%	11.5%	15.2%	17.9%	1bps	9bps	0bps	0bps
PAT (INR mn)	7,098	11,756	16,684	21,798	6,843	11,551	16,613	21,685	-3.6%	-1.7%	-0.4%	-0.5%
Diluted EPS (INR)	14.55	24.10	34.21	44.69	14.03	23.68	34.06	44.46	-3.6%	-1.7%	-0.4%	-0.5%

Source: Company, JM Financial

Key Risks

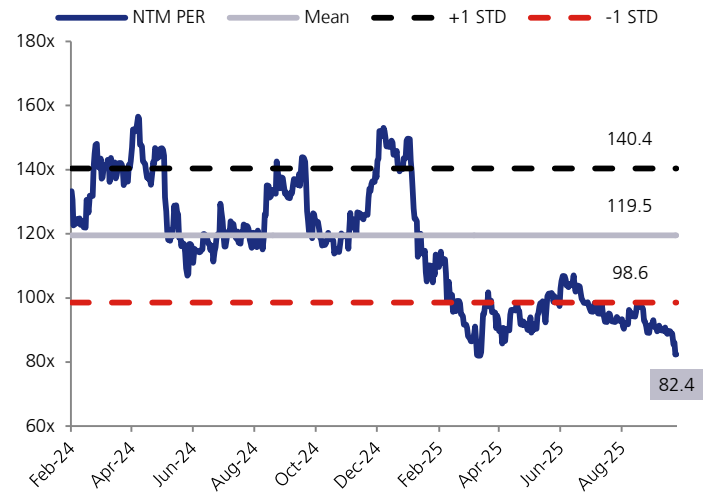
- **Downside risks:** 1) **Tech penetration growth slows down:** Policybazaar is currently benefiting from fast growing share of tech-enabled transactions penetration in India, so a material slowdown may impact its growth. 2) **Growing competitive intensity:** A number of fin-techs are aggressively investing in building/expanding their insurance and credit platforms while some of its privately listed peers are in the process of raising funds to fight for their territory in PoSP business. 3) **Stakeholder conflicts:** In Aug'21, HDFC Ergo announced plans to delist products from third-party brokers while deciding to invest heavily on its in-house online platform. With brokers continuing to gain negotiating power for higher margins, there is a likelihood of other larger players also following suit, impacting the number of products offered. 4) **Regulatory risks:** The insurance segment continues to be under heavy regulatory scrutiny with regards to commissions, distribution models, capital adequacy etc. and there exist potential risks with regard to regulatory headwinds. The recent IRDAI announcement about operationalizing Bima Sugam remains a tail risk. 5) **Multi-year bundling of motor insurance policies:** There have been media reports mentioning that motor comprehensive insurance will be bundled as a 5-year product at the time of vehicle purchase. While auto dealers control the transaction completely at purchase and hence restrict any business reaching marketplaces such as Policybazaar, this bundling will also take away annual renewal opportunities and could impact business growth adversely.
- **Upside risks:** 1) **Insurance penetration exceeding our expectations:** We expect the insurance sector to continue to remain relatively underpenetrated in India in the medium term along with a slower digital penetration trajectory due to the handholding needed for insurance buyers. So there is room for a positive surprise in both insurance premium growth as well as digital penetration. 2) **Sharp rise in online transacting users:** Tech-enabled transactions could grow at a much faster rate than expected due to faster than anticipated rise in transacting user base on the company's platform. 3) **Physical distribution contribution margin improve rapidly:** We are estimating physical distribution to have continued low contribution margins and if the margins improve sooner, that could drive sharp rise in EBITDA. 4) **Regulation mandates compulsory purchase of certain insurance policies:** Any regulatory push that mandates compulsory purchase of certain insurance policies (like motor insurance).

Exhibit 6. NTM EV/EBITDA



Source: Bloomberg, JM Financial

Exhibit 7. NTM PER



Source: Bloomberg, JM Financial

Exhibit 8. Valuation in comparison of other new age peers

Company in INR Mn	Revenue			Pre Ind AS EBITDA			PAT			CMP (27 Sep, 2025)	Market Cap (INR bn)	EV (INR bn)
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E			
PB Fintech	66,217	84,177	104,450	4,689	10,180	16,515	6,843	11,551	16,613	1,677	818	766
At CMP	11.6x	9.1x	7.3x	163.4x	75.3x	46.4x	112.0x	66.3x	46.1x			
Paytm	86,606	107,778	133,468	5,243	14,199	25,746	7,806	14,499	22,816	1,125	764	609
At CMP	7.0x	5.6x	4.6x	116.1x	42.9x	23.6x	78.0x	42.0x	26.7x			
CarTrade	7,628	8,895	10,270	1,729	2,244	2,969	1,997	2,573	3,207	2,434	125	116
At CMP	15.2x	13.0x	11.3x	67.0x	51.6x	39.0x	58.0x	45.0x	36.1x			
Delhivery	110,846	128,248	147,998	6,519	10,556	14,674	5,781	8,933	12,508	446	357	303
At CMP	2.7x	2.4x	2.0x	46.4x	28.7x	20.6x	52.4x	33.9x	24.2x			
FirstCry	80,458	92,681	106,389	375	4,015	7,307	-969	1,741	3,761	363	193	187
At CMP	2.3x	2.0x	1.8x	499.4x	46.6x	25.6x	-193.1x	107.5x	49.8x			
Nykaa	100,335	126,301	157,922	5,509	9,457	14,888	2,419	5,349	9,736	231	664	668
At CMP	6.7x	5.3x	4.2x	121.4x	70.7x	44.9x	276.3x	125.0x	68.7x			
Zomato	323,324	424,323	531,321	9,832	34,168	57,783	14,674	36,167	54,931	321	2,949	2,760
At CMP	8.5x	6.5x	5.2x	280.8x	80.8x	47.8x	188.1x	76.3x	50.3x			
Swiggy	228,010	280,920	335,452	-34,969	-13,206	3,771	-39,128	-18,690	-1,699	421	959	896
At CMP	3.9x	3.2x	2.7x	-25.6x	-67.8x	237.5x	-22.9x	-47.9x	-527.2x			

Source: Company, JM Financial. Note: Valuation as of 27th Sept 2025.

Financial Tables (Consolidated)

Income Statement					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	34,377	49,772	66,217	84,177	1,04,450
Sales Growth	34.4%	44.8%	33.0%	27.1%	24.1%
Other Operating Income	0	0	0	0	0
Total Revenue	34,377	49,772	66,217	84,177	1,04,450
Cost of Goods Sold/Op. Exp	10,455	17,332	22,576	27,787	33,717
Personnel Cost	16,441	19,587	23,349	27,470	32,123
Other Expenses	9,343	11,946	14,579	17,558	20,823
EBITDA	-1,863	907	5,713	11,361	17,787
EBITDA Margin	-5.4%	1.8%	8.6%	13.5%	17.0%
EBITDA Growth	0.0%	0.0%	530.1%	98.8%	56.6%
Depn. & Amort.	887	1,213	1,422	1,655	1,864
EBIT	-2,750	-306	4,292	9,706	15,923
Other Income	3,806	4,077	3,680	3,937	4,811
Finance Cost	265	338	354	425	452
PBT before Excep. & Forex	791	3,433	7,617	13,218	20,282
Excep. & Forex Inc./Loss(-)	0	0	0	0	0
PBT	791	3,433	7,617	13,218	20,282
Taxes	127	345	762	1,653	3,651
Extraordinary Inc./Loss(-)	0	411	0	0	0
Assoc. Profit/Min. Int.(-)	-46	4	18	21	26
Reported Net Profit	670	3,090	6,843	11,551	16,613
Adjusted Net Profit	670	3,500	6,843	11,551	16,613
Net Margin	1.9%	7.0%	10.3%	13.7%	15.9%
Diluted Share Cap. (mn)	488.1	487.7	487.7	487.7	487.7
Diluted EPS (INR)	1.4	7.2	14.0	23.7	34.1
Diluted EPS Growth	0.0%	423.0%	95.5%	68.8%	43.8%
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	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	771	3,846	7,620	13,221	20,286
Depn. & Amort.	887	1,213	751	898	1,044
Net Interest Exp. / Inc. (-)	-3,167	-3,347	-3,326	-3,512	-4,359
Inc (-) / Dec in WCap.	528	-3,912	-9,613	5,238	-1,858
Others	3,058	1,543	1,824	1,605	1,525
Taxes Paid	-1,990	-1,174	-762	-1,653	-3,651
Operating Cash Flow	87	-1,831	-3,506	15,799	12,986
Capex	-632	-965	-1,119	-1,269	-1,401
Free Cash Flow	-545	-2,796	-4,625	14,530	11,585
Inc (-) / Dec in Investments	1,695	1,339	4,250	0	0
Others	1,945	4,203	3,680	3,937	4,811
Investing Cash Flow	3,008	4,577	6,810	2,668	3,410
Inc / Dec (-) in Capital	2	16	0	0	0
Dividend + Tax thereon	0	0	0	0	0
Inc / Dec (-) in Loans	0	0	0	0	0
Others	-572	-743	-399	-378	-417
Financing Cash Flow	-570	-727	-399	-378	-417
Inc / Dec (-) in Cash	2,525	2,019	2,906	18,089	15,979
Opening Cash Balance	4,823	5,913	7,931	10,837	28,926
Closing Cash Balance	7,349	7,931	10,837	28,926	44,905

Source: Company, JM Financial

Balance Sheet					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders' Fund	58,710	64,323	72,990	86,146	1,04,283
Share Capital	902	919	919	919	919
Reserves & Surplus	57,808	63,404	72,071	85,227	1,03,365
Preference Share Capital	0	0	0	0	0
Minority Interest	54	55	70	88	110
Total Loans	0	0	0	0	0
Def. Tax Liab. / Assets (-)	-3,158	-4,050	-4,050	-4,050	-4,050
Total - Equity & Liab.	55,607	60,328	69,010	82,184	1,00,343
Net Fixed Assets	3,586	4,178	5,098	5,942	6,649
Gross Fixed Assets	1,972	2,812	3,921	5,180	6,571
Intangible Assets	2,675	2,906	3,457	3,931	4,282
Less: Depn. & Amort.	1,060	1,539	2,280	3,169	4,203
Capital WIP	0	0	0	0	0
Investments	46,072	46,855	42,605	42,605	42,605
Current Assets	14,469	20,211	35,082	50,669	71,598
Inventories	0	0	0	0	0
Sundry Debtors	6,505	11,151	15,783	19,833	24,324
Cash & Bank Balances	7,350	7,931	10,837	28,926	44,905
Loans & Advances	0	0	0	0	0
Other Current Assets	615	1,129	8,462	1,909	2,368
Current Liab. & Prov.	8,520	10,916	13,774	17,032	20,509
Current Liabilities	5,544	6,892	8,520	10,226	11,907
Provisions & Others	2,977	4,024	5,255	6,806	8,602
Net Current Assets	5,949	9,295	21,308	33,637	51,089
Total - Assets	55,607	60,328	69,010	82,184	1,00,343

Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	1.9%	7.0%	10.3%	13.7%	15.9%
Asset Turnover (x)	0.5	0.7	0.8	0.9	0.9
Leverage Factor (x)	1.1	1.2	1.2	1.2	1.2
RoE	1.2%	5.7%	10.0%	14.5%	17.4%

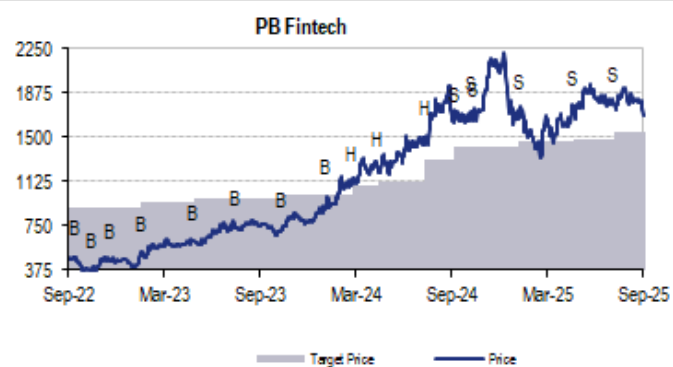
Key Ratios					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	130.3	142.9	162.2	191.4	231.7
ROIC	-32.5%	-2.7%	21.4%	40.2%	64.5%
ROE	1.2%	5.7%	10.0%	14.5%	17.4%
Net Debt/Equity (x)	-0.7	-0.6	-0.5	-0.6	-0.6
P/E (x)	1,222.1	233.7	119.5	70.8	49.2
P/B (x)	12.9	11.7	10.3	8.8	7.2
EV/EBITDA (x)	-382.9	792.3	126.1	61.9	38.6
EV/Sales (x)	20.7	14.4	10.9	8.3	6.6
Debtor days	69	82	87	86	85
Inventory days	0	0	0	0	0
Creditor days	30	27	29	30	31

Source: Company, JM Financial

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
9-Mar-22	Buy	980	
30-May-22	Buy	870	-11.2
11-Aug-22	Buy	910	4.6
7-Oct-22	Buy	910	0.0
8-Nov-22	Buy	910	0.0
14-Dec-22	Buy	910	0.0
11-Feb-23	Buy	950	4.4
23-May-23	Buy	980	3.2
9-Aug-23	Buy	980	0.0
6-Nov-23	Buy	1,010	3.1
31-Jan-24	Buy	1,010	0.0
20-Mar-24	Hold	1,095	8.4
8-May-24	Hold	1,120	2.3
7-Aug-24	Hold	1,310	17.0
30-Sep-24	Sell	1,420	8.4
4-Nov-24	Sell	1,420	0.0
6-Nov-24	Sell	1,420	0.0
31-Jan-25	Sell	1,470	3.5
16-May-25	Sell	1,480	0.7
1-Aug-25	Sell	1,550	4.7

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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New Rating System: Definition of ratings	
Rating	Meaning
BUY	Expected return \geq 15% over the next twelve months.
ADD	Expected return \geq 5% and $<$ 15% over the next twelve months.
REDUCE	Expected return \geq -10% and $<$ 5% over the next twelve months.
SELL	Expected return $<$ -10% over the next twelve months.

Previous Rating System: Definition of ratings	
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.
SELL	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

* REITs refers to Real Estate Investment Trusts.

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