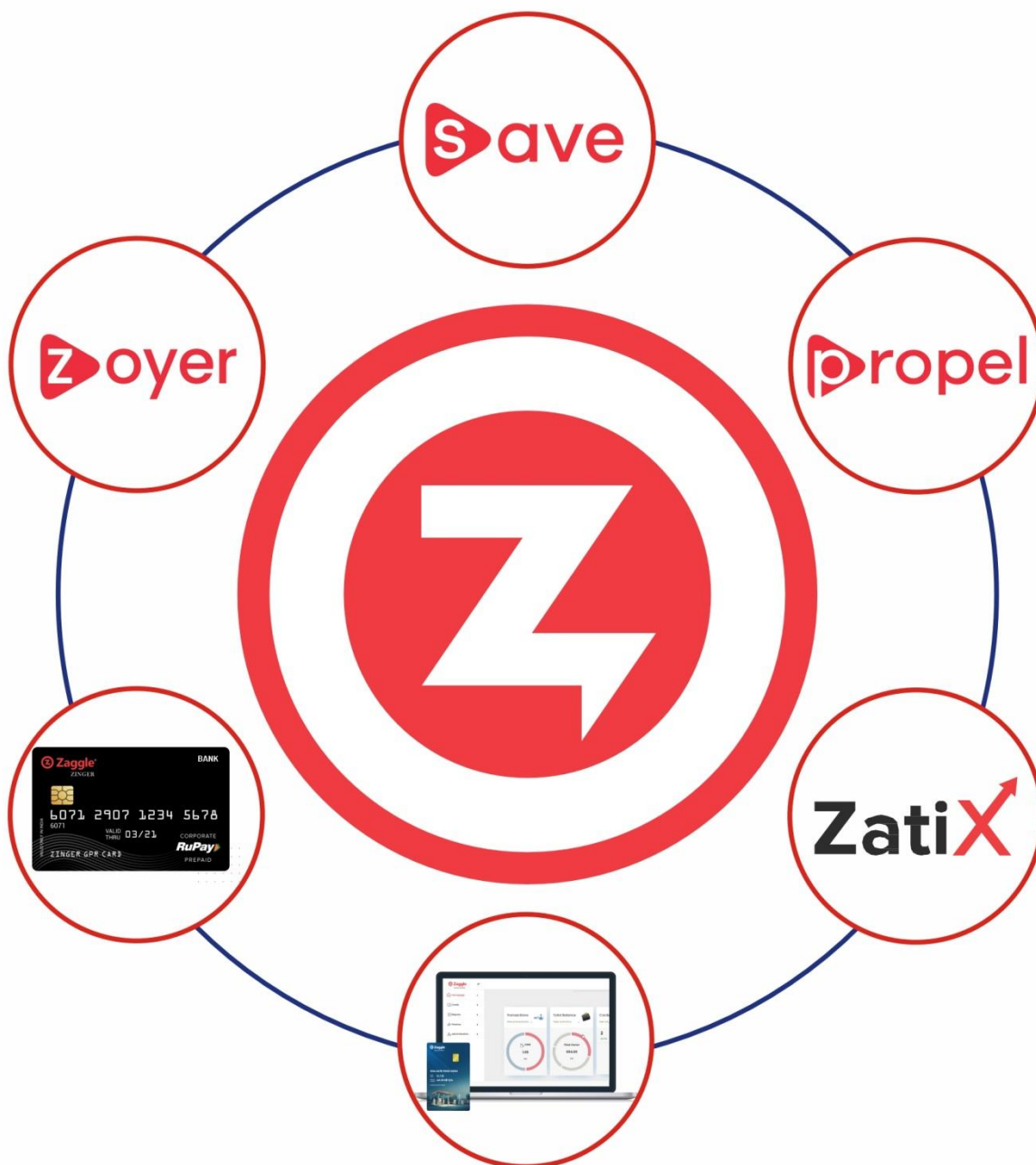


Zaggle Prepaid Ocean Services

Simplifying Business Spends



Integrated SaaS-Fintech
platform digitising
enterprise spends

Ecosystem play along with
synergistic acquisitions
creating strong moat

Initiate with BUY
and Sep'26 TP of
INR 520 (~44% upside)

Zaggle Prepaid Ocean Services

Simplifying Business Spends

Zaggle is a home-grown SaaS-fintech platform that helps businesses digitise spending across employee reimbursements, vendor payments, channel partner rewards and incentives, along with a host of expanding use cases. Founded in 2011, the company has steadily evolved from a corporate gifting player into a full-scale enterprise spend management platform. Its key products such as Save, Propel and Zoyer allow corporates to automate and track spends, while newer product launches are adding analytics and international payment capabilities.

With a robust customer acquisition model, Zaggle has built strong partnerships with 19 banks and all major card networks. The company has issued 50mn+ prepaid cards for over 3,550 corporates with around 3.3mn active users, while operating an asset-light model with high customer stickiness. Monetisation includes SaaS subscription fees, interchange income and merchant commissions. With rising cross-sell via ecosystem play, growing adoption of digital spend tools and a strong portfolio of enterprise clients, Zaggle is perfectly positioned to benefit from the sustained formalisation of business spends in India.

We initiate coverage on Zaggle with a BUY rating and a Sep'26 TP of INR 520 (~44% upside), valuing the company at 30x Sep'27E EPS, slightly conservative compared to other B2B internet peers considering the recent margin dip and the rise in working capital requirement for Propel. We expect the company to sustain growth trends while improving profitability sharply.

Key risks include 1) slower adoption of newer products, 2) large banks launching their own prepaid or corporate cards, increasing disintermediation risks and 3) investments in newer adjacencies, acquisitions and international expansion, which might lead to margin volatility and slower profitability expansion.

Leading B2B SaaS-fintech platform driving digitisation of enterprise spends: Zaggle is a full stack B2B SaaS-fintech platform helping enterprises digitise and manage spending across employee benefits, vendor payments, rewards and fleet expenses etc. Its proprietary tech stack includes Save, Zoyer, Propel and the new ZatiX analytics platform that offers end-to-end automation through API-driven design. The company has issued 50mn+ prepaid cards and serves more than 3,550 corporates with an active base of 3.3mn+ users across industry verticals. Partnerships with 19 banks and all major card networks enable wider reach and an asset-light business model, while newer offerings such as fleet management and international payments (ZIP) are opening up new use-cases within the existing client base.

Robust network effects with strategic acquisitions creating a strong moat: Zaggle's business benefits from strong network effects as clients once onboarded and integrated see higher friction for platform switching, resulting in low customer churn (< 1.5%). Furthermore, cross-sell enables Zaggle to also distribute other products to the same clients. The company has also enhanced its capabilities through strategic acquisitions such as Mobileware, Effiasoft, TaxSpanner, GreenEdge, etc. with an acquisition pipeline to sustain the value enhancement play. This creates a strong moat with minimal customer acquisition cost, positioning Zaggle as a full-stack "Spend-as-a-Service" platform rather than just a card issuer.

Initiate with BUY; strong compounding visibility and long runway for growth: We expect c.34% / 52% revenue / PAT CAGR over FY25-27E, driven by steady SaaS adoption, operating leverage and incremental growth from new products and adjacencies. Profitability is expected to improve as the mix shifts towards subscription income and incentive costs continue to be normalised. With improving RoE / RoCE (14% / 12% by FY27E) and a proven asset-light model, Zaggle offers a long growth runway in an underpenetrated market. We are assigning a conservative 30x Sep'27 P/E multiple to initiate with a BUY rating and a Sep'26 TP of INR 520.

Recommendation and Price Target		Financial Summary (INR mn)					
Current Reco.	BUY	Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Current Price Target (12M)	520	Net Sales	7,756	13,038	17,536	23,246	30,180
Upside/(Downside)	44.3%	Sales Growth (%)	40.1	68.1	34.5	32.6	29.8
Key Data – ZAGGLE IN		EBITDA	706	1,140	1,761	2,571	3,398
Current Market Price *	INR360	EBITDA Margin (%)	9.1	8.7	10.0	11.1	11.3
Market cap (bn) *	INR48.4/US\$0.5	Adjusted Net Profit	440	879	1,448	2,030	2,637
Free Float	56%	Diluted EPS (INR)	4.0	7.0	10.8	15.1	19.6
Shares in issue (mn)	134.2	Diluted EPS Growth (%)	62.5	72.7	54.6	40.1	29.9
Diluted share (mn)	134.6	ROIC (%)	20.4	18.9	23.1	29.0	31.9
3-mon avg daily val (mn)	INR300.4/US\$3.4	ROE (%)	14.1	9.6	10.9	13.5	15.1
52-week range	597/299	P/E (x)	89.3	51.7	33.4	23.9	18.4
Sensex/Nifty	82,501/25,285	P/B (x)	6.8	3.6	3.5	3.0	2.6
INR/US\$	88.7	EV/EBITDA (x)	65.0	36.1	23.2	15.6	11.6
		Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0

Source: Company data, JM Financial. Note: Valuations as of 10/Oct/2025

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..

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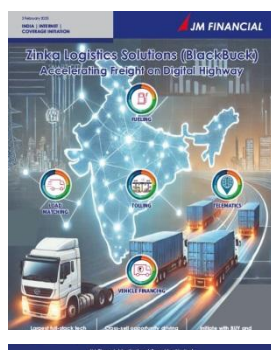
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Zaggle is a leading SaaS-fintech platform enabling enterprises to digitise, manage and optimise spends across employee benefits, channel partner rewards and vendor payments. The company has a robust proprietary tech stack that enables end-to-end, modular solutions. Zaggle serves over 3,550 corporates across key industry verticals and has issued 50mn+ prepaid cards, with partnerships spanning 19 banks and all major card networks. With increasing cross-sell opportunities, growing digitisation across corporate spends, strong portfolio of enterprise clients and low cost of acquisition for its 3.3mn+ user base, Zaggle has established itself as the most comprehensive enterprise spend management platform in India along with a rising play internationally.

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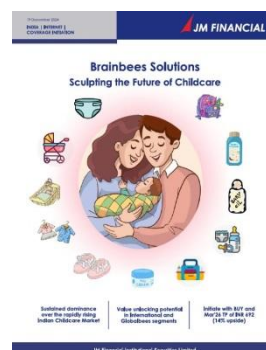
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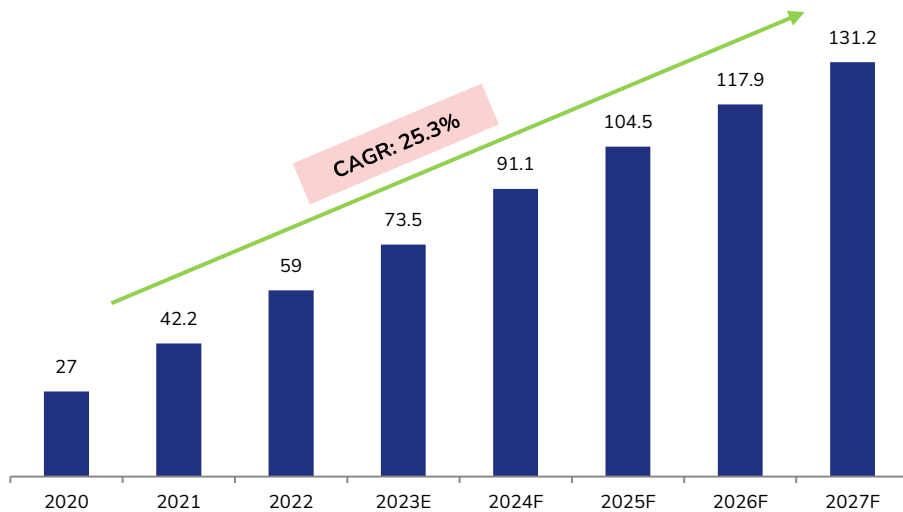
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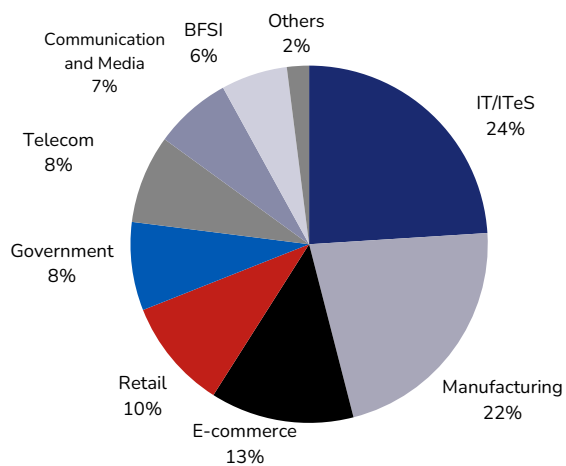
Focus Charts

Exhibit 1. India Outsourced Spend Management market revenue to reach INR 131bn by 2027



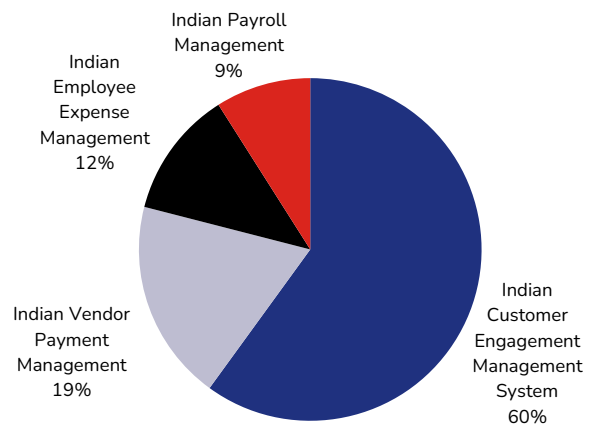
Source: Websites and annual reports of respective companies, Frost and Sullivan Report, JM Financial

Exhibit 2. Market split by industry verticals (2027E)



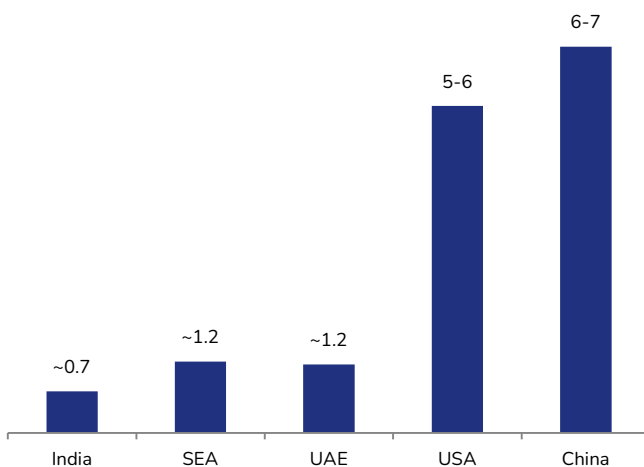
Source: Frost and Sullivan Report, JM Financial

Exhibit 3. Market split by category of services (2022)



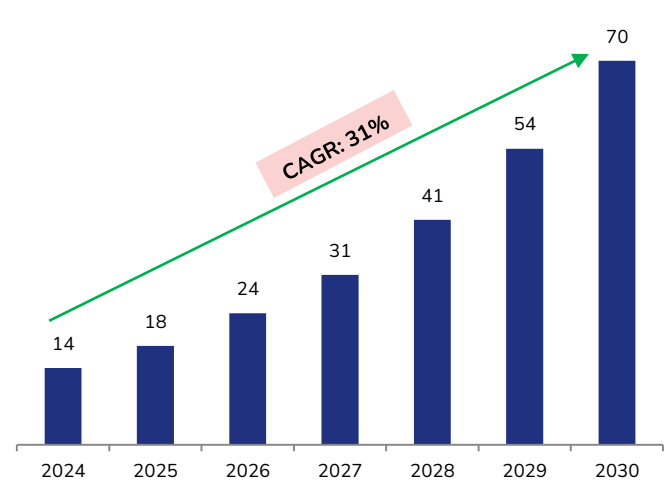
Source: Frost and Sullivan Report, JM Financial

Exhibit 4. Cards per capita - global comparison (as of FY24)



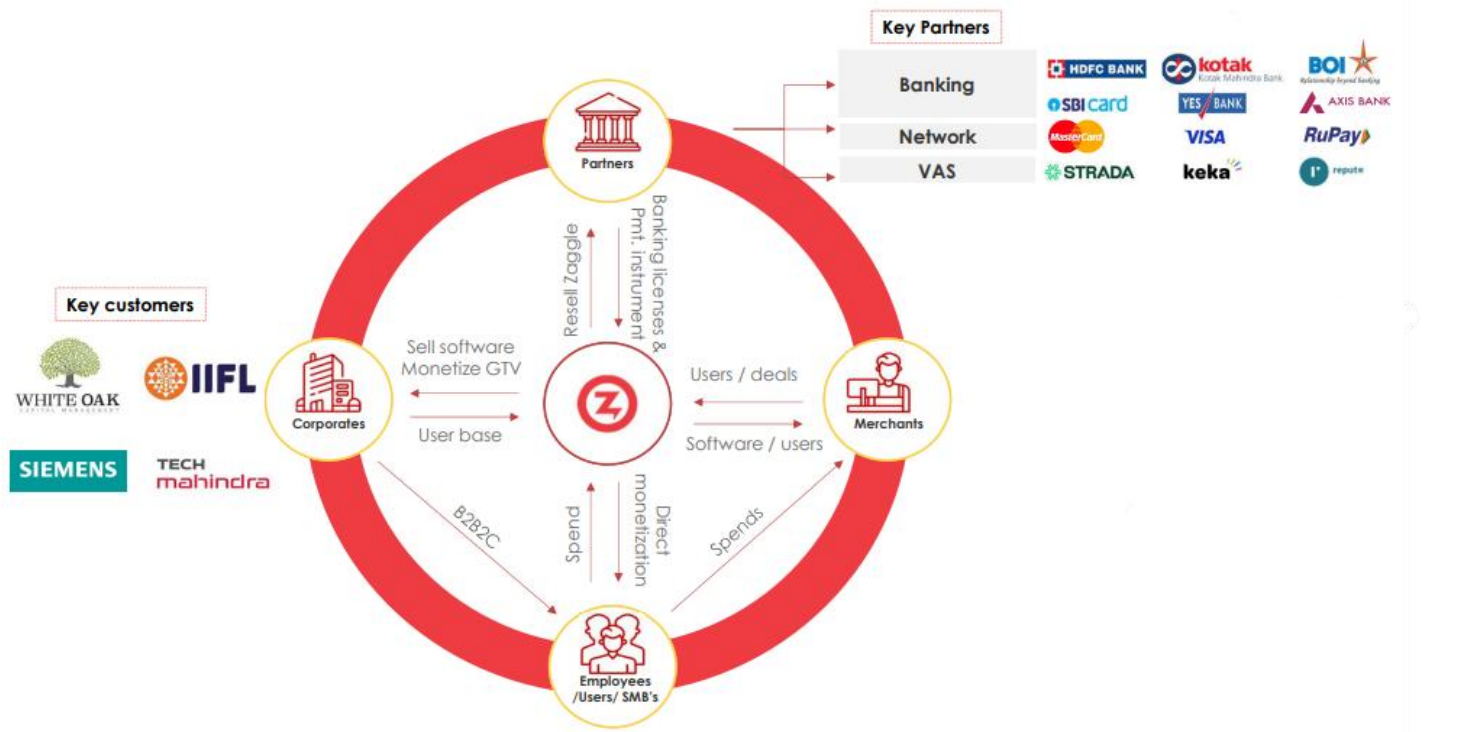
Source: Pine Labs RHP, JM Financial

Exhibit 5. India SaaS market size (USD bn)



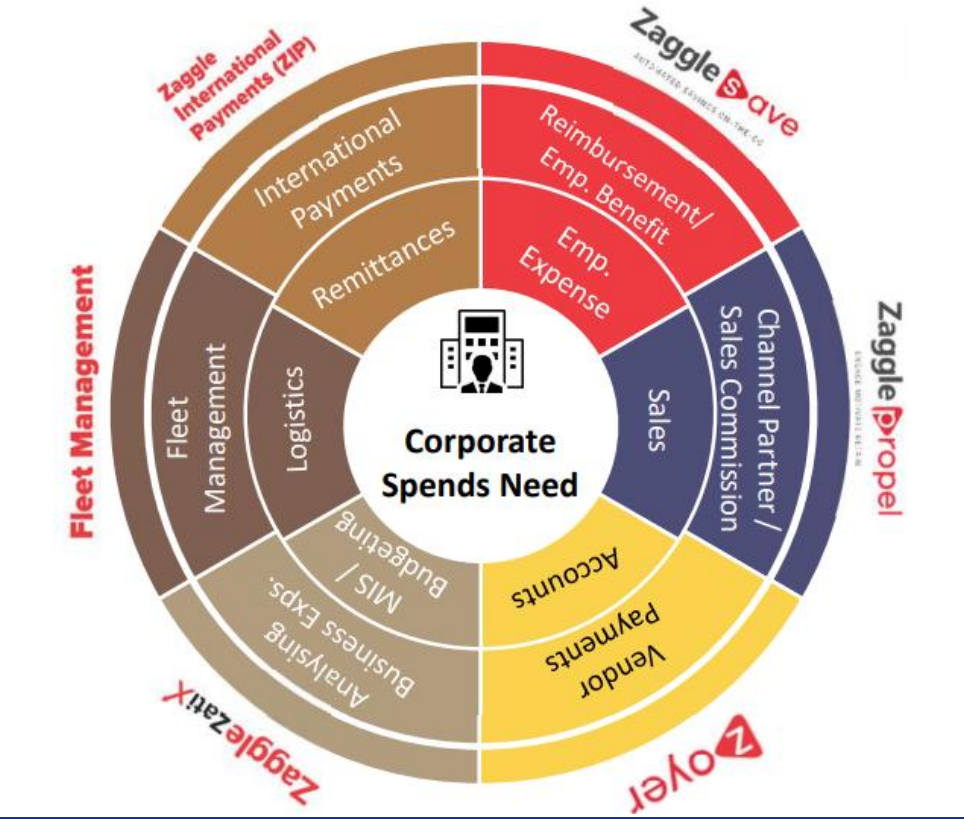
Source: Media reports, JM Financial

Exhibit 6. Strong network effects



Source: Company

Exhibit 7. Zaggle Ecosystem

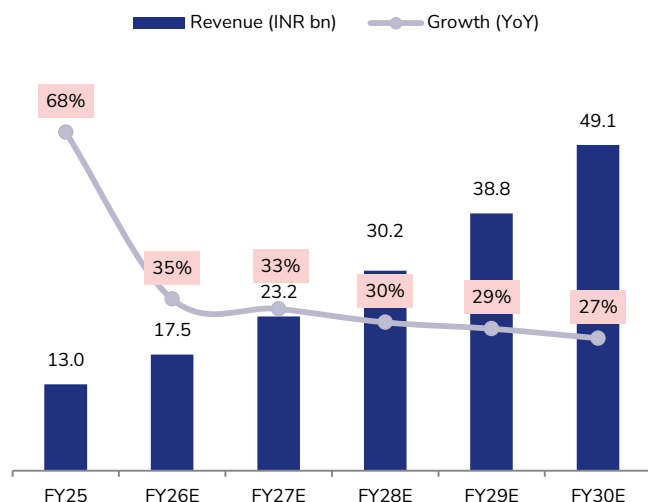


Source: Company

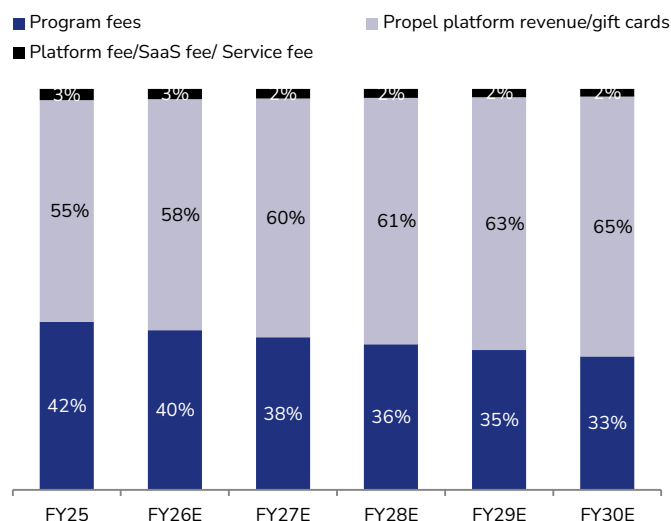
Exhibit 8. Understanding the various service categories in spend management

Category	Definition	Key Trends
Employee Expense Management	Reimbursable expenditures [travel expenses, meal expenses, medical expenses, telecom expenses, and fuel expenses], non-reimbursable expenditures and reward payments.	~82% of companies are either partially or entirely lacking in automating the travel and expense process despite being the 2 nd largest operational expense after payroll. 48% do not have a system to detect fraud as expenses are mapped manually.
Employee Rewards and Recognition	Refers to a programme set up by the company to reward performance and motivate employees.	Most Indian organisations have employees of all age groups and same trend will continue in the future.
Vendor payment management	System that oversees the payment of a business's external suppliers for goods, services, or both.	Modern enterprises have started automating their vendor management procedures to reduce compliance risks.
Negotiation as a service (NaaS)	Allows businesses to automate commercial negotiations at scale. It compares and evaluates proposed terms and conditions across market to get the best deal.	Large corporates spend more than 1/3rd of their sales on categories that may be purchased through negotiated contracts. NaaS used to require hiring an outsourcing centre. However, this is changing due to use of cutting-edge technology.
Payroll Management	Covers employee salaries and incentives payment and may also keep a financial record of employees' gross earnings, payroll deductions, net pay, and employer's payroll tax dues.	Requirement for managing an expanding workforce to minimise the time spent on administration; increasing adoption of WFH, and maintaining payroll tax records to avoid penalties the major factors increasing adoption of payroll management.
Channel partner incentivisation	A behaviour modification tool designed to reward partners for achieving specific goals, excluding direct cash incentives.	Recent incentives have focused on increasing liquidity in the system, rewarding stronger sales performance, and covering dealer overhead expenses.
Gift Card Loyalty Programme ("GCLP")	Helps employees save money through financial wellness packages with outstanding perks and corporate discounts.	Several companies are offering incentives, while others are providing sustainable and fitness-related presents.

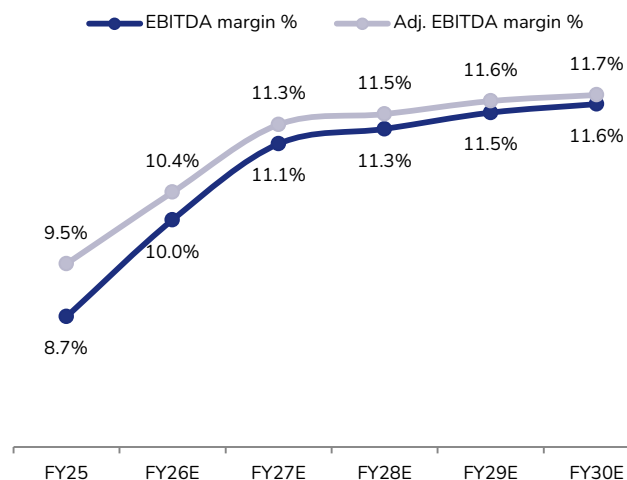
Source: Company, JM Financial

Exhibit 9. Gross revenue to grow at 30% CAGR over FY25-30

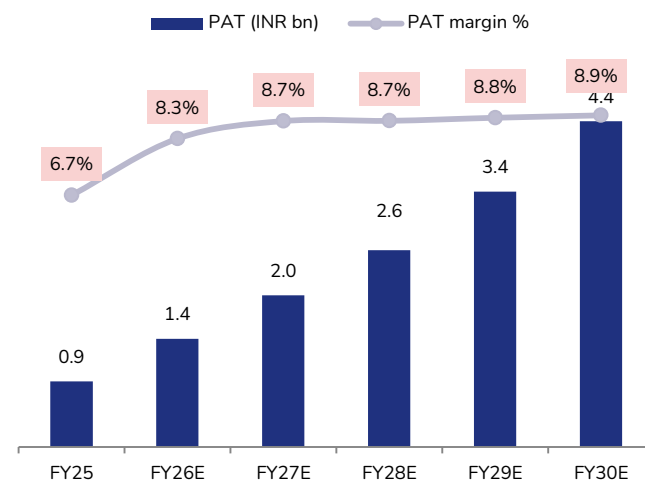
Source: Company, JM Financial

Exhibit 10. Programme fees is expected to gain revenue mix share

Source: Company, JM Financial

Exhibit 11. EBITDA and Adj. EBITDA margin trend

Source: Company, JM Financial

Exhibit 12. PAT and PAT margin trend

Source: Company, JM Financial

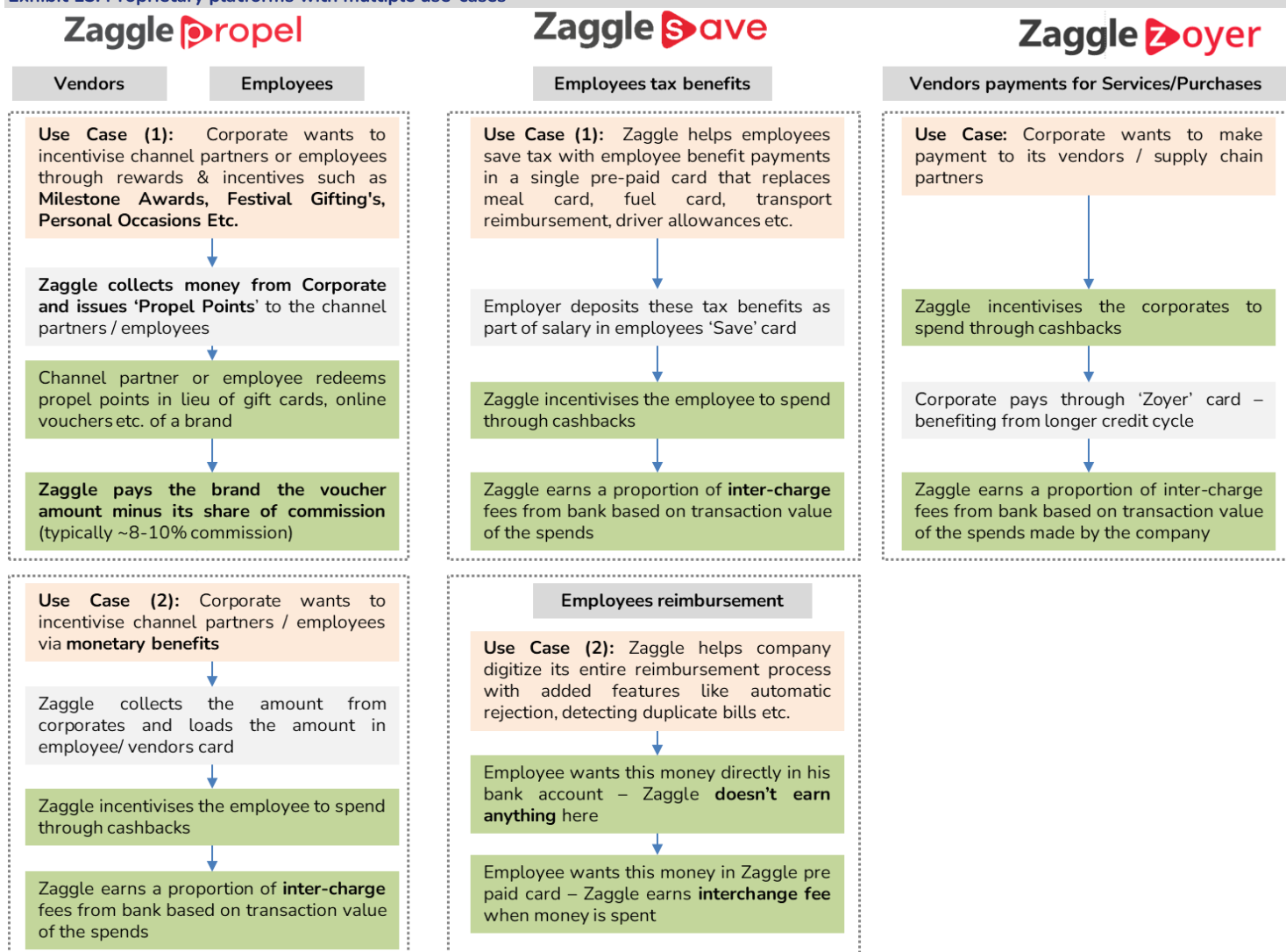
Investment Thesis

Scalable proprietary platform with fintech plus SaaS solutions creating defensibility

Zaggle's product advantage lies in its proprietary, modular technology platforms that enable end-to-end automation of enterprise spending. Its key solutions such as **Propel** (channel incentives and rewards), **Save** (employee benefits and gifting), and **Zoyer** (SaaS-based spend and expense management) are integrated through a common API infrastructure that allows cross-platform data flow, unified dashboards, and seamless scalability. The company also launched **ZatiX**, an AI-based spend analytics platform in FY25, offering predictive insights, benchmarking, and optimisation tools that enhance value delivery to clients. New modules such as **fleet management and international payments** further widen the addressable use-cases within existing clients.

The modular, API-first architecture allows rapid onboarding, customisation, and potential white-labelling for banking partners, giving Zaggle a strong B2B distribution edge. As a result, the company has been able to integrate its solutions with numerous leading brands with ease, leading to a diverse customer base. Considering the sector-agnostic platform, the customer base is spread across sectors such as BFSI, technology, healthcare, manufacturing, retail, FMCG, infrastructure, pharmaceuticals, automotive and oil & gas.

Exhibit 13. Proprietary platforms with multiple use-cases



Source: Company, JM Financial

Expanding partner ecosystem enabling asset-light growth and monetisation

Zaggle continues to expand its ecosystem through a growing network of banking, card and fintech partnerships, enabling scalable, asset-light growth and diversified monetisation. The company currently partners with over 19 banks, including ICICI Bank, HDFC Bank, Kotak Mahindra Bank, SBI and DBS, while also working with all three major card networks - Visa, Mastercard and RuPay. These relationships allow Zaggle to launch new programmes faster, negotiate competitive interchange economics, and mitigate partner-dependency risk. Inorganic investments have further deepened its ecosystem capabilities; for e.g., acquisition of Mobileware has strengthened Zaggle's transaction infrastructure and API-based bank connectivity, while the acquisition of Effiasoft has enhanced merchant-linked UPI capabilities, opening up fleet and logistics spend verticals. The company has cumulatively issued 50mn+ cards and continues to add new banking tie-ups and distribution collaborations such as Mesh Payments, aimed at streamlining global corporate expense management. New partner integrations widen Zaggle's reach, enhancing operating leverage and unlocking new enterprise acquisition channels. With no balance-sheet risk, the company operates a scalable and capital-efficient model.

Exhibit 14. Recent partnerships and deal wins

Company / Partner Name	Contract Brief	Duration
Strategic partnerships		
Mesh Payments	Enhances Zaggle's offering to Indian customers looking to streamline global expenses access global go-to-market opportunities	3 Years
Mastercard	Zaggle has signed a seven year customer business agreement for MasterCard Premium Foreign Currency co-branded Prepaid Cards to further strengthen the forex offering	7 Years
Grant Thornton	Grant Thornton will offer the Zaggle Spend Management platform to its corporate clients and large enterprises	3 Years
Tata Capital	Enhances the financial flexibility and affordability offered to employees, allowing them to access attractive leasing options for their purchases under the Smart EPP	5 Years
One Assist	Onboarded as insurance partner for the smart EPP covering theft and AD/LD	5 Years
Gujarat International Finance Tec-City	Zaggle shall provide the solutions of CoBrand Pre-Paid Citizen Card and Visitor Management system for GIFTCL	5 Years
Google / Redington	Zaggle will be the authorized reseller & program manager for Google Smart EPP device lease program	5 Years
Thomas Cook	Enhance TC's end-to-end travel expertise embedded with Zaggle's expense management platform	2 Years
Bank of India	Empanelled with the bank to develop use cases on domestic prepaid, forex prepaid, commercial cards and onboarding journeys	2 Years
Keka HRMS	Zaggle Save solution to list on Keka Marketplace as an offering Keka to also refer corporate customers from its portfolio	3 Years
Recent customer wins		
Mo Engage India	Provide Zaggle Save (Employee expense management & benefits)	Perpetual
DTDC Express	Provide Zaggle Zoyer & Zaggle Save (Employee expense management & benefits) propositions	5 Years
Novozymes South Asia	Provide Zaggle Save (Employee expense management & benefits) & Zaggle Propel propositions	3 Years
CK Birla Healthcare	Provide Zaggle Save (Employee expense management & benefits) and Zaggle Zoyer Propositions	3 Years
Apollo Health and Lifestyle	Provide Zaggle Zoyer & Zaggle Save (Employee expense management & benefits) propositions	3 Years
White Oak Investment Mgmt.	Provide Zaggle Save (Employee expense management & benefits) & Zaggle Zoyer propositions	3 Years
Truecaller International	Provide Zaggle Save (Employee expense management & benefits)	3 Years
Hindustan Pencil	Provide Zaggle Propel Platform (Channel Partner Loyalty Programme)	1 Year
Indus Towers	Provide Zaggle Save (Employee expense management & benefits)	Perpetual
Tech Mahindra	Provide Zaggle Tatix platform backed by a credit card offering (Tech Mahindra is an existing user of the Zaggle Save platform)	1 Year
Honasa Consumer (Mamaearth)	Provide Zaggle Zoyer Platform	3 Year
PhysicsWallah	Provide Zaggle Zoyer Platform (PhysicsWallah is an existing user of the Zaggle Save platform)	2 Years
Wonder Home Finance	Provide Zaggle Zoyer & Zaggle Save (Employee expense management & benefits) propositions.	2 Year
Forbes Marshal	Provide Zaggle Propel reward platform	1 Year

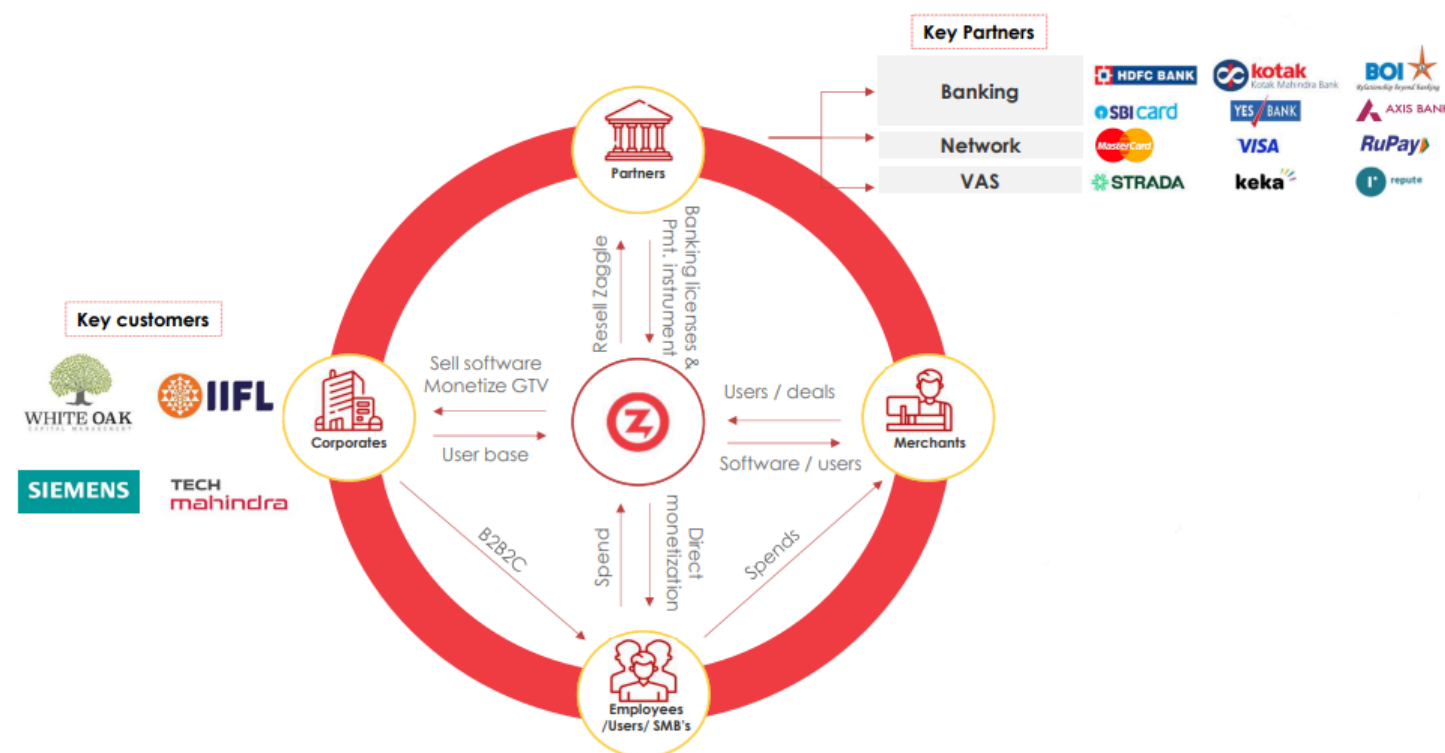
Source: Company, JM Financial

Network effects and platform synergies driving long-term customer stickiness

Zaggle benefits from strong network effects across its integrated suite of products such as Propel, Save, Zoyer, and ZatiX, which together create a tightly connected ecosystem for enterprise spend automation. Once a corporate customer adopts one module (e.g., rewards via Propel or benefits via Save), the frictionless integration with Zoyer's expense platform encourages usage of additional modules, leading to higher adoption depth and average revenue per customer. Currently, the overlap between Propel and Save customers is currently only ~23%, highlighting significant headroom for cross-sell. Each incremental product adoption enhances data visibility and workflow automation, improving client retention while raising platform switching costs. Over time, this creates a self-reinforcing flywheel as more enterprise clients drive higher transaction volumes, which, in turn, attract additional banking and merchant partners, further enriching the product offering. The company's continuous investment in AI-based analytics through ZatiX adds another layer of engagement, allowing clients to benchmark spending patterns and optimise budgets through data insights. These network effects not only enhance scalability but also create a durable competitive moat, positioning Zaggle as a multi-module enterprise platform rather than a transactional card issuer.

Zaggle has demonstrated exceptional customer loyalty with a churn rate of less than 1.5%, one of the lowest in the enterprise SaaS fintech space. This reflects the high friction involved in switching platforms once workflows, policies and employee databases are integrated into Zaggle's system. In fact, the company also benefits from negative customer acquisition costs thanks to the B2B2C model where it gets customers from corporates who use its SaaS solutions. Key customers include leading brands such as Tech Mahindra, Siemens, Honasa (Mamaearth), PhysicsWallah, Mahindra First Choice Wheels, AGP City Gas, Blinkit, BigBasket, Mumbai Metro One, Hitachi India, Baroda BNP Paribas AMC, Blue Star, HDFC Ergo General Insurance, Wipro, Emami, Hiranandani Constructions, Wockhardt, Hoichoi, Inox India, Volvo Auto India, Skoda Auto Volkswagen India, IIFL Finance, and Motilal Oswal, among others. As of 1QFY26, the company has a customer base of 3,559 (80%+ corporate accounts with 250+ users) and an active user base of 3.3mn.

Exhibit 15. Strong network effect



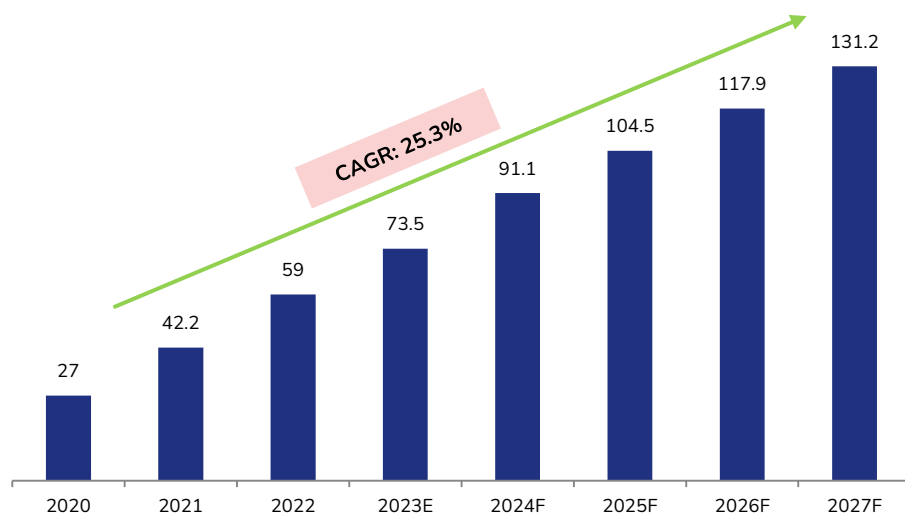
Source: Company

Spend Management is a large and underpenetrated multi-year opportunity

India's corporate spend, rewards and expense management ecosystem remains significantly underpenetrated, offering significant headroom for growth as enterprises increasingly digitise financial workflows. The overall revenue opportunity for spend management software and services in India (in-house and outsourced; including procurement management, expense management, and payroll management) is estimated to reach ~INR 200bn+ by FY27, with the share of outsourced spend management estimated to be around 60%.

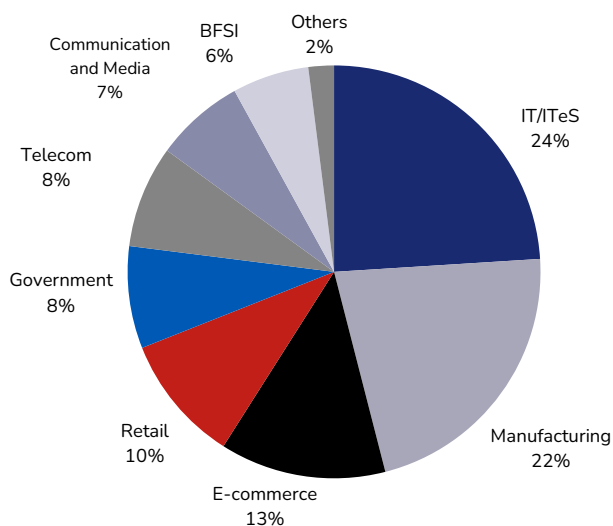
While consumer payments have seen rapid digital adoption, enterprise expense automation continues to be dominated by manual and fragmented processes, particularly across SMEs and traditional sectors. Zaggle, with its full-stack integration of SaaS, payments and rewards, is among the few players offering an end-to-end solution covering spends tracking, benefits management and rewards disbursal. With corporate cards' penetration in India still at ~5-6% and expense management software adoption being low, Zaggle is positioned to capture both category growth and market share as corporates transition to digitised spend systems.

Exhibit 16. India Outsourced Spend Management market by revenue (INR bn)



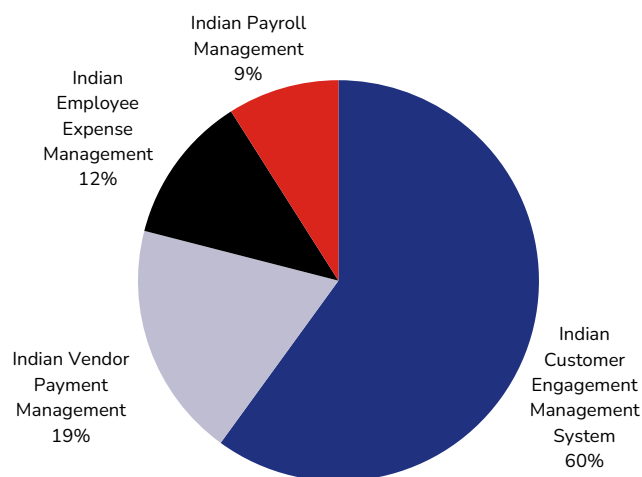
Source: Websites and annual reports of respective companies, Frost and Sullivan Report, JM Financial

Exhibit 17. Market split by industry verticals (2027E)



Source: Frost and Sullivan Report, JM Financial

Exhibit 18. Market split by category of services (2022)



Source: Frost and Sullivan Report, JM Financial

Successful track record of synergistic acquisitions enhancing cross-sell opportunity

Zaggle has demonstrated a strong track record of strategic and synergistic acquisitions that accelerate its transition towards a full-stack "Spend-as-a-Service" platform. The company has completed multiple targeted acquisitions across complementary verticals, each adding technology depth, product breadth, or market access. In Sept'24, it made two strategic moves - 1) acquired a ~98.32% controlling stake in 'TaxSpanner' with a total consideration of INR 568.3mn, bringing tax preparation and financial wellness capabilities in-house, and 2) invested INR 228.5mn to take a ~38.3% stake in 'Mobileware Technologies', a firm providing NPCI-certified embedded payments infrastructure such as UPI, IMPS, AEPS, and an API banking platform named 'TransXT', a Bank-in-a-Box platform. This acquisition aligns with Zaggle's aim to strengthen its presence in the SaaS fintech industry by capitalising on Mobileware's established infrastructure and expertise. Zaggle plans to integrate Mobileware's innovative solutions into its ecosystem, enhancing its capabilities in embedded payments and streamlining transaction experiences.

In Mar'25, Zaggle expanded its SaaS fintech ecosystem by acquiring a 45.33% stake in '**Effiasoft Private Limited**' for INR 367.2mn and later an additional 5.67% stake for INR 45.9mn, taking a controlling stake. Effiasoft is known for solutions such as point-of-sale (POS) systems, inventory management tools, and business automation technologies. Its flagship product, JustBilling, serves 300+ merchants across India and Southeast Asia, offering GST-compliant invoicing, billing, inventory management and analytics. This acquisition aligns with Zaggle's goal of solidifying its SaaS fintech platform, enabling integration of Effiasoft's advanced tools to enhance payment processing, accelerate innovation, and deliver unified, value-added solutions for businesses, especially SMEs.

Exhibit 19. Acquisition history

Date	Target Company	Stake acquired	Consideration (INR mn)	Strategic rationale
Sept'24	TaxSpanner	98.3%	568	adds tax preparation and filing services to enhance employee financial wellness and payroll-linked solutions
Sept'24	Mobileware	38.3%	229	strengthens embedded payments infrastructure with NPCI-certified UPI, IMPS, AEPS, and "Bank-in-a-Box" platform
Mar'25	Effiasoft	51.0%	413	enhancing payment processing capabilities and global reach
Jun'25	Dice	100.0%	1,230	expands AI-driven enterprise spend management, travel, and procurement automation; provides access to enterprise customers like DTDC and Bajaj Electricals
Jun'25	GreenEdge Enterprises	100.0%	270	enhances loyalty and rewards ecosystem within Propel; adds travel reward capabilities and deepens partner engagement
Jul'25	Rio.Money (Rivpe Technology Pvt Ltd)	100.0%	220	entry into UPI-powered consumer credit cards and embedded credit offerings, expanding into the consumer fintech space

Source: Media reports, Company

Recently, Zaggle announced two more acquisitions; it acquired 100% stakes in – 1) '**Dice**', an AI-driven enterprise spend management startup, and 2) '**GreenEdge Enterprises**', a loyalty and rewards provider, for a combined amount of INR 1.5bn. These deals significantly bolstered Zaggle's product breadth from AI-enabled spend workflows to loyalty and travel rewards while also absorbing Dice's enterprise customer base such as DTDC and Bajaj Electricals. As per the management, Dice's acquisition will help the company accelerate expansion in international markets, which was initially planned for FY26, whereas GreenEdge, which offers specialised solutions for golf travel, will enhance Zaggle's product offerings in the loyalty / rewards and travel segment, providing a significant boost to its Propel offering.

Continuing its expansion into adjacent fintech spaces, Zaggle also announced acquisition of 100% stake in '**Rio.Money**' (Rivpe Technology Pvt Ltd) for INR 220mn in Jul'25. This strategic buy marks Zaggle's foray into consumer credit cards powered by UPI, leveraging Rio.Money's Yes Bank-Rio RuPay credit card solution to tap into consumer-level finance opportunities.

The company plans to pursue 3-4 further acquisitions in FY26. Also, the management is planning to enter the Middle East in the near to medium term, potentially through inorganic expansion, to tap into the enterprise spend management market. With a consistent track record of value-accretive acquisitions and clear strategic rationale behind each deal, Zaggle has demonstrated strong execution in integrating new technologies and widening its addressable market while maintaining balance sheet discipline.

Well-defined growth catalysts across new products, adjacencies and global markets

Zaggle is entering a phase of multi-dimensional growth with several near and medium-term catalysts. The company is expanding its product portfolio into fleet & fuel management, AI-driven analytics (ZatiX), and cross-border enterprise payments verticals that carry higher monetisation potential and extend its reach into adjacent spend categories. These new offerings leverage the same underlying tech stack and partner ecosystem, enabling faster go-to-market execution with minimal incremental cost. Beyond domestic opportunities, Zaggle has articulated plans to selectively expand into GCC and Southeast Asian markets, regions with comparable digital maturity and regulatory frameworks. The international expansion will likely begin through partnerships with existing card networks and Indian corporate clients operating overseas, allowing a low-risk entry route. Domestically, the company is exploring white-labelled SaaS collaborations with banks, enabling embedded finance solutions that could significantly boost recurring software revenue. These initiatives, combined with organic cross-selling across 3,550+ enterprise clients, provide strong visibility into multi-year compounding growth.

The recent acquisition of GreenEdge, a SaaS-based platform specialising in loyalty experiences and rewards with a focus on golf-based corporate engagement, further enhances Zaggle’s corporate engagement capabilities. Furthermore, Zaggle has also decided to target the US market by tapping into PE and VC funds to gain access to their portfolio companies as potential clients.

Exhibit 20. New product launches provide an opportunity for cross-selling

ZaggleZatiX Intelligent Spend Analytics Platform Newly launched analytics platform, designed to empower businesses with greater cost efficiencies. Available as part of a bundled solution offered by banks, combining corporate credit cards with cutting-edge SaaS technology	Fleet Management Managing Fleet Expenses Efficiently Fleet program offers a spend management system tailored for fleet management	Zaggle International Payments (ZIP) Simplifying Global Transactions ZIP ensures seamless international payments with full compliance and transparency
Key Features		
1 Full control over spends through dashboard for corporates	1 Dashboard & analytics for Fleet owners as well as oil marketing companies/CNG providers	1 Live FX Rates with Timestamps
2 Digital journey for employee card	2 Advanced Spend Controls for fleet owner	2 Foreign Remittance Certificate Issued
3 Granular level visibility of employee card	3 Automated Approval Workflow	3 Multi-currency Forex Cards for Individuals and Corporates
4 Download customize transaction reports		4 Segregate business and personal forex spends
5 Self-servicing tools for corporates		

Source: Company

Focus on data security and compliance enhances customer comfort

Zaggle’s adherence to data protection and security standards such as GDPR, ISO 27001, PCI DSS, and AICPA SOC 2 is a key differentiator, particularly for BFSI clients and companies that operate under strict regulatory frameworks. For many large corporates, compliance with these standards is a prerequisite for onboarding vendors handling employee or financial data. These certifications not only assure data integrity and security but also shorten procurement cycles and build confidence among risk and IT teams during vendor evaluation. In sectors like banking, healthcare, and manufacturing, where sensitive employee and transaction data are involved, such adherence acts as a strong trust enabler. This compliance-driven reliability has helped Zaggle strengthen long-term relationships with large clients, improve conversion in enterprise RFPs, and maintain one of the lowest churn rates in the industry.

Valuation Methodology

Initiate with BUY rating; Sep'26 TP of INR 520

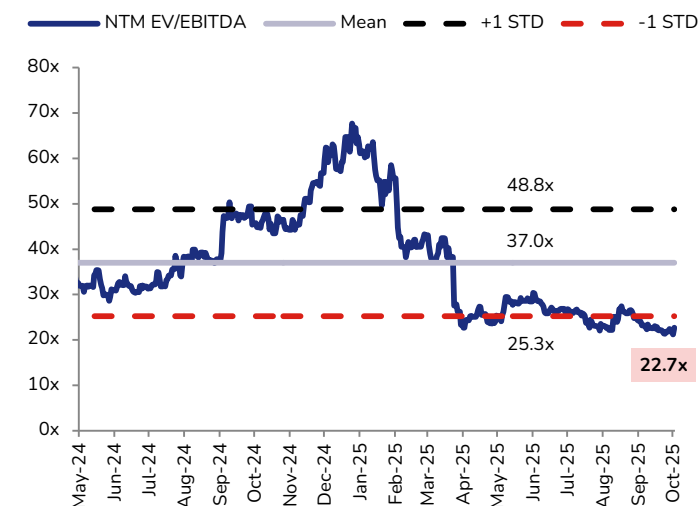
We initiate coverage on Zaggle with a BUY rating and a Sep'26 TP of INR 520, based on 30x multiple on Sep'27 EPS, implying ~44% upside at CMP of INR 360. We ascribe this multiple considering Zaggle's positioning at the intersection of fintech and SaaS, customer stickiness (<1.5% churn), improving return ratios (RoCE / RoE expected at c.12%/14% by FY27E) and an asset-light, recurring-revenue based model. We, however, do remain a bit conservative on the multiple considering the recent dip in margins and rise in working capital requirements for the Propel business. For FY25-27E, we expect Zaggle to deliver revenue CAGR of 34% and PAT CAGR of 52%, led by strong traction in SaaS adoption, operating leverage and incremental growth from new products such as Zatix, ZIP and fleet management. Compared to global peers (Edenred, WEX, BILL), Zaggle is operating in a significantly underpenetrated market, giving it a long runway for compounding earnings and valuation re-rating as profitability improves.

Exhibit 21. Comparative valuation table

Company	Base Country	MCap (USD bn)	EV (USD bn)	EV / Revenue (x)			Rev 26-28E	EV / EBITDA (x)			EBITDA 26-28E	P/E (x)			EPS 26-28E
				CY25E/ FY26E	CY26E/ FY27E	CY27E/ FY28E		CY25E/ FY26E	CY26E/ FY27E	CY27E/ FY28E		CY25E/ FY26E	CY26E/ FY27E	CY27E/ FY28E	
Zaggle*	India	0.5	0.5	2.4x	1.8x	1.4x	31%	23.9x	16.4x	12.4x	39%	33.5x	23.9x	18.4x	35%
India Internet B2B															
Affle*	India	3.1	2.9	9.6x	8.1x	6.8x	19%	43.0x	34.7x	28.4x	23%	59.4x	46.6x	37.4x	26%
BlackBuck*	India	1.4	1.3	19.8x	15.2x	11.9x	29%	65.5x	39.4x	27.0x	56%	90.1x	54.3x	37.6x	55%
Cartrade*	India	1.9	1.8	14.2x	12.2x	10.6x	16%	49.4x	37.4x	29.4x	30%	58.3x	45.1x	36.1x	27%
Delhivery*	India	5.6	5.2	3.0x	2.6x	2.2x	17%	34.7x	22.7x	16.5x	45%	75.4x	43.8x	29.4x	60%
IndiaMART*	India	1.6	1.2	6.8x	6.0x	5.3x	13%	18.6x	16.6x	15.1x	11%	24.8x	24.1x	21.5x	8%
Info Edge (Standalone)*	India	9.8	9.1	14.6x	12.5x	11.9x	11%	32.6x	26.1x	27.7x	8%	24.9x	19.9x	20.9x	9%
TBO Tek*	India	1.9	1.8	6.0x	4.4x	3.8x	25%	40.5x	28.9x	22.7x	34%	66.0x	44.1x	32.2x	43%
India Internet B2C															
Firstcry*	India	2.2	2.2	2.2x	1.9x	1.6x	16%	62.7x	28.2x	18.8x	83%	nm	110.7x	52.5x	nm
ixigo*	India	1.4	1.3	8.9x	6.8x	5.4x	29%	105.2x	65.0x	42.2x	58%	151.4x	84.4x	53.3x	69%
Nykaa*	India	8.6	8.6	7.6x	6.0x	4.8x	26%	101.0x	64.8x	43.5x	52%	316.6x	142.7x	78.2x	101%
Paytm*	India	8.9	7.1	7.9x	6.2x	4.8x	28%	127.9x	46.7x	24.8x	127%	105.4x	57.4x	36.4x	70%
PB Fintech*	India	9.0	8.7	11.5x	9.1x	7.3x	26%	141.7x	67.7x	42.5x	83%	122.5x	69.6x	47.6x	60%
Swiggy*	India	12.2	11.7	4.6x	3.8x	3.2x	20%	nm	nm	101.8x	nm	nm	nm	nm	nm
Zomato*	India	37.9	36.8	6.5x	3.7x	3.1x	46%	182.8x	69.2x	43.7x	105%	nm	89.2x	56.5x	nm
Global comps															
Edenred	Europe	5.9	8.4	2.4x	2.3x	2.1x	7%	5.4x	5.2x	4.8x	6%	9.8x	8.8x	7.8x	12%
Expensify	USA	0.2	0.1	0.7x	0.7x	0.7x	4%	4.1x	2.6x	2.3x	33%	11.9x	7.3x	6.2x	38%
Fleetcor	USA	20.5	26.5	6.0x	5.4x	4.9x	10%	11.1x	9.8x	8.9x	11%	17.5x	14.4x	12.4x	19%
Marqeta	USA	2.3	1.5	2.4x	2.0x	1.7x	20%	16.9x	12.1x	8.0x	45%	nm	nm	40.2x	nm
Sodexo	Europe	9.1	13.4	0.5x	0.5x	0.5x	3%	7.1x	7.0x	6.6x	4%	12.7x	11.1x	10.1x	12%
Wex	USA	5.4	9.6	3.6x	3.4x	3.3x	5%	8.6x	8.3x	7.7x	6%	18.5x	14.5x	12.3x	23%
Mean - India B2B				10.6x	8.7x	7.5x	18.6%	40.6x	29.4x	23.8x	29.5%	57.0x	39.7x	30.7x	32.5%
Mean - India B2C				7.0x	5.3x	4.3x	27.3%	120.2x	56.9x	45.3x	84.6%	174.0x	92.3x	54.1x	75.1%
Mean - Global				2.6x	2.4x	2.2x	8.4%	8.8x	7.5x	6.4x	17.6%	14.1x	11.2x	14.8x	20.9%

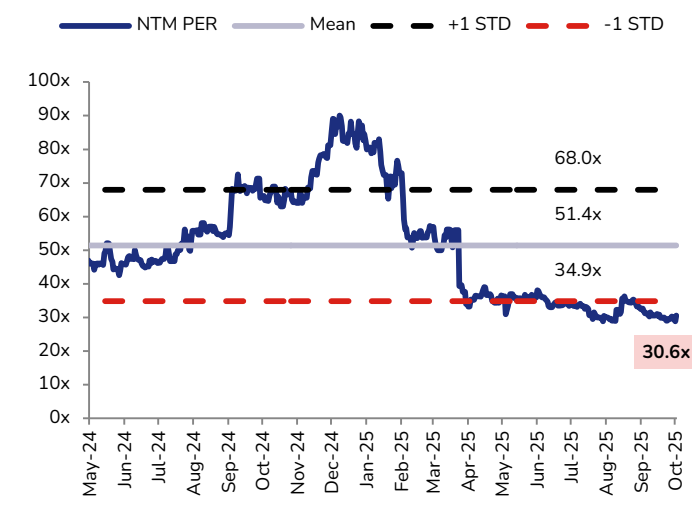
Source: Bloomberg, *JM Financial estimates. CMP as of 10th Oct 2025.

Exhibit 22. NTM EV/EBITDA



Source: Bloomberg

Exhibit 23. NTM PER



Source: Bloomberg

DCF-based valuation

Basis our DCF-based valuation, we arrive at a Sep'26 TP of INR 540, implying ~50% upside at CMP of INR 360. While the multiple method values the company on near-to-medium-term earnings, DCF factors in the long-term structural tailwinds, showcasing the robust headroom for growth.

Exhibit 24. Key DCF assumptions

WACC	13.0%
Revenue CAGR (FY25-30)	30.4%
Revenue CAGR (FY30-35)	21.6%
Revenue CAGR (FY35-40)	17.0%
EBITDA CAGR (FY25-30)	38.0%
EBITDA CAGR (FY30-35)	25.0%
EBITDA CAGR (FY35-40)	17.8%
Tax Rate	19.0%
FCFF CAGR (2025-2040F)	na
NPV of cash flow (2025-2040F)	24,963
Perpetual growth (%)	5.0%
Implied Exit FCF multiple (X)	12.5x
Terminal value (INR mn)	41,315
Enterprise value (INR mn)	66,278
Terminal value as % of Enterprise Value	62.3%
Net debt (INR mn, Mar'26)	-6,364
Equity value (INR mn)	72,642
Number of shares outstanding (diluted, million)	135
Equity value per share (INR)	540

Source: JM Financial

Exhibit 25. Sensitivity of TP to TGR and WACC

		Terminal Growth Rate				
		4.0%	4.5%	5.0%	5.5%	6.0%
WACC	11.5%	650	680	710	750	800
	12.0%	590	620	640	680	710
	12.5%	540	560	590	610	650
	13.0%	500	520	540	560	590
	13.5%	470	480	500	520	540
	14.0%	430	450	460	480	490
	14.5%	410	420	430	440	460

Source: Company, JM Financial

Exhibit 26. TP sensitivity to JMFe revenue growth and margin

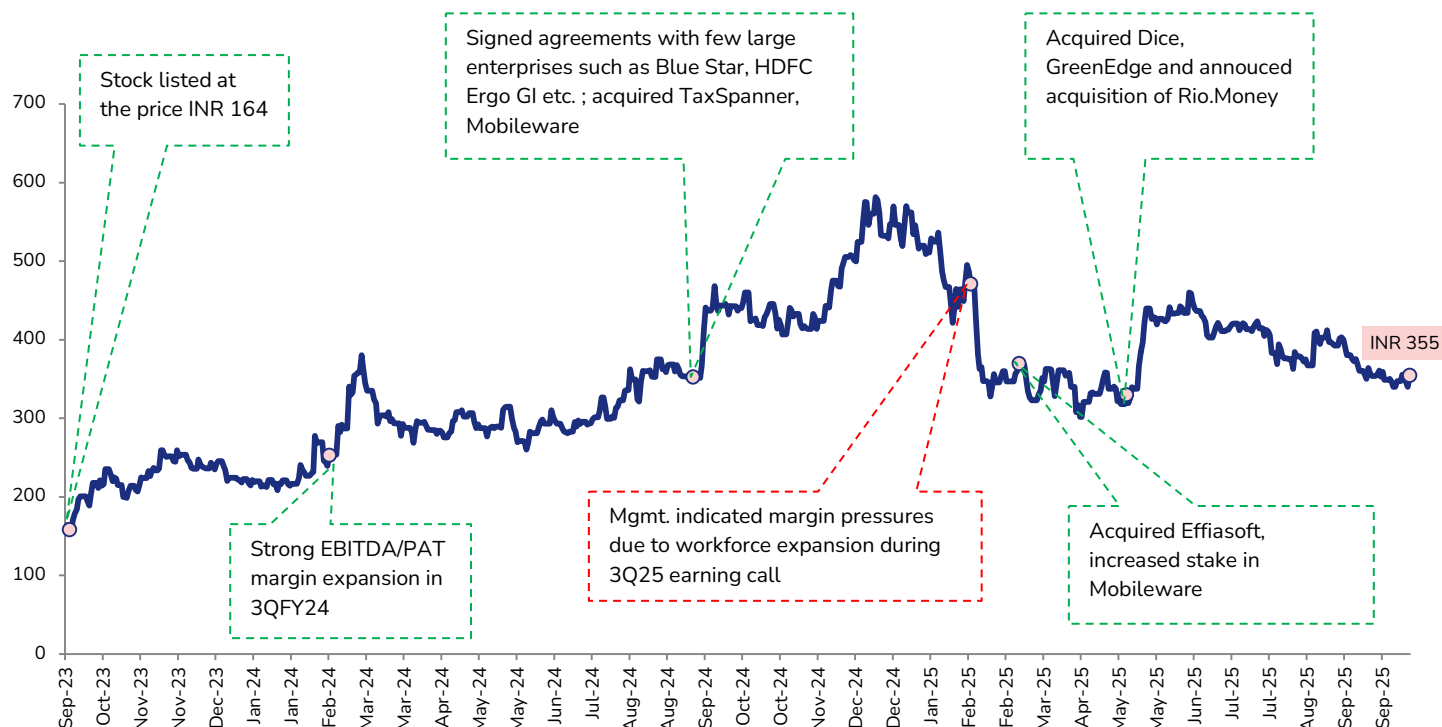
		Revenue Growth (% of JMFe)				
		98%	99%	100%	101%	102%
EBITDA Margin (% of JMFe)	97.0%	270	290	330	370	410
	98.0%	320	350	390	440	500
	99.0%	370	410	460	520	590
	100.0%	440	480	540	610	690
	101.0%	500	560	620	700	790
	102.0%	580	640	720	810	910
	103.0%	660	730	820	920	1,040

Source: Company, JM Financial

Journey since IPO in 2023

Zaggle listed on the stock exchange on 22nd Sep'23 at the issue price of INR 164; since then, the stock has more than doubled with a CMP of INR 360 as of 10th Oct'25. The company has reported a 52-week high of INR 597 in Dec'24 due to strong investor optimism led by new product launches, acquisitions and strong business performance whereas the 52-week low was INR 299 in Apr'25.

Exhibit 27. Performance since IPO



Source: Company

At the time of the IPO, Zaggle's business was anchored around only two core product offerings, **Save** (employee benefits and prepaid programmes) and **Propel** (incentives and rewards). The company's value proposition was centred on enabling enterprises to manage employee benefits, channel incentives, and corporate gifting through co-branded prepaid cards and digital wallets, supported by early-stage SaaS modules. It had partnerships with leading banks and card networks, but its operations were still concentrated in these two product lines.

Post-IPO, Zaggle has significantly expanded its technology and product portfolio. It launched ZatiX, an AI-based analytics platform for spend insights and benchmarking, followed by fleet management and Zaggle International Payments (ZIP) to address logistics, fuel, and cross-border payment needs. These additions marked the company's transition from a card-led rewards player to a full-stack 'Spend-as-a-Service' platform, offering an integrated suite of SaaS and payment solutions for enterprises. As a result, the company has expanded its customer base from 2,411 in FY23 to 3,559 as of 1QFY26 across several sectors, making the platform a truly sector agnostic player. The company currently partners with 19 banks and has expanded its user base to 3.3mn as of 1QFY26 from 2.27mn in FY23.

Along with this, Zaggle has pursued strategic and synergistic acquisitions to accelerate growth, which includes Mobileware (API and payment infrastructure), Effiasoft (billing and POS automation), TaxSpanner (financial wellness), and recent acquisitions such as Dice, GreenEdge, Rio.Money, etc. to expand overall ecosystem offerings. The management has also indicated plans for 3-4 more acquisitions by FY26 and is evaluating an entry into the Middle East to tap regional corporate digitisation opportunities either organically or inorganically.

Zaggle's continuous efforts in product expansion, acquisitions, and client base has strengthened its position as a leading spend management platform. Strong execution has boosted investor confidence, evident from the stock's performance since the IPO.

Competitive landscape

While there are no direct listed peers in India, there are players addressing parts of the spend management ecosystem such as employee tax benefits, expense tracking and reimbursements, vendor payments, etc. A few of the key domestic peers include Happay (acquired by MMT), EnKash, Zoho Expense, SAP Concur and Fyle. However, none of them offer a complete end-to-end solution. Zaggle's key differentiation is that it combines expense management, card issuance and management, employee benefits, and rewards on a single platform. This integrated approach allows it to serve a wider range of enterprise clients across industries and employee sizes. Globally, players such as Edenred, WEX, BILL, and Expensify operate in adjacent areas and have already achieved scale and profitability in mature markets. However, Zaggle's model is better suited for India's early-stage corporate payments ecosystem, offering similar capabilities at a lower penetration base and much larger growth runway. With its modular platform, multi-bank partnerships, and focus on cross-selling SaaS solutions to existing clients, Zaggle is well placed to gain share as Indian businesses move towards automated and digital spend management.

Exhibit 28. Competitive landscape - domestic and global

Company	Key Geography	Business description and key developments
Happay	India	Happay provides expense management software and corporate card for businesses. It features solutions for tracking fleet operations, approving invoices, tracking payments, account payables automation, cash flow management, tracking expenditures, and more. It offers prepaid & credit cards and also provides a travel booking platform for employees. Company was acquired by CRED in Dec'21 and MMT acquired Happay's expense management business in Nov'24.
Fyle	India	Fyle is a cloud-driven expense management solutions for business travellers. It offers expense tracking of employees, automated compliance, and analytics for insights. For employees, it offers mail plugins to extract expenses from the inbox, a mobile application for scanning paper receipts and tracks travel expenses. The AI-based receipt management helps in receipt categorising and stores it in the cloud. Last funding round was in Oct'22 at the post money valuation of USD 71mn.
SAP Concur	US	Concur is a SaaS-driven corporate travel expense & invoice management solution. It enables businesses to manage their employee's invoices, travel bookings, reimbursements. It offers invoice management software with features such as automated invoice processing, approval automation, analysis etc. Company serves multiple sectors including automotive, financial services, healthcare, public sectors, manufacturing etc. Concur was acquired by SAP in Sep'14 for USD 8.3bn.
Divvy	US	Divvy is a cloud-based spends management solution for businesses. Its features include expense tracking, digitising receipts, real-time transaction information, send & request funds for cards, and virtual cards. It also provides travel management solutions. Company was acquired by Bill.com in May'21 for ~ USD 2.5bn.
Emburse	US	Emburse provides a corporate card and expense management platform for businesses. It features a solution for travel & expense management, corporate expense cards, account payable & purchasing automation, reporting & analytics, time tracking etc. It provides corporate cards to make online/offline transactions at multiple segments such as food, travel etc. and also enables companies to manage and track employee spends. It integrates with multiple expenses and AP automation solutions, including Abacus, Captio, Certify, Chrome River etc. Company was acquired by Certify in Jul'19 which is backed by K1 investment management.
Coupa	US	Coupa is a cloud-based end-to-end spend management software for businesses. It provides solutions for procurement invoice automation, sourcing, travel and expense management, inventory optimisation, contract management, spend analysis, data visualisation, payment automation, compliance, and supplier management. It caters to multiple sectors like healthcare, hospitality, life sciences, and manufacturing. Company was acquired by Thomas Bravo, General Atlantic in Dec'22 for USD 8bn.
Expensify	US	Expensify is a cloud-driven expense management solutions for business travellers. It offers solutions for expense approval, invoice scanning, bill payment, travel reimbursement etc. It also offers solutions for business card and expense report creation.
Navan	US	Navan provides SaaS-based corporate travel and expense management solution for businesses. It provides reward points to business travellers with the airline loyalty program. It offers an online booking tool, inventory management, payments, automated expense management and reports, customer reviews, programme management, reporting etc.
Fleetcor Technologies	US	Fleetcor operates as a business payments company. It offers payment solutions which help businesses control, simplify, and secure payment for fuel, general payables, toll, and lodging expenses. Company's wide range of digitised solutions generally provides control, reporting, and automation benefits over the payment methods businesses.
Spendesk	France	Spendesk is a provider of prepaid cards for financial benefits of employees. It offers corporate travel and expense management solution. Platform solution enables enterprises to keep a track of the daily expenses of their employees. It also allows companies to manage to spend with specified budget limits per team and person, review each purchase request, get automatic reminders for employees to upload docs for the purchases etc. Platform features include expense tracking, virtual-physical cards, spending reports, payment invoice etc. Last funding round was in Jan'22 at the post money valuation of USD 1bn.
Sodexo	France	Sodexo is an online platform providing payment cards for employee benefits. The platform provides budgeting, perks and rewards, and home-care services. It also provides services to a variety of industries, including defence, energy and resources, healthcare, schools, sports, and others. It provides an app-based platform for tracking card transactions and payment history reports.
Edenred	France	Edenred provides employee benefit and payment management solutions for businesses. It offers solutions for incentives and rewards, expense management, social benefits programs, corporate payments, and more. It also provides employee benefits solutions including ticketing services for meals, food, transportation, healthcare, training, human services, purchases etc.

Source: Bloomberg, Traxcn, Media reports, JM Financial

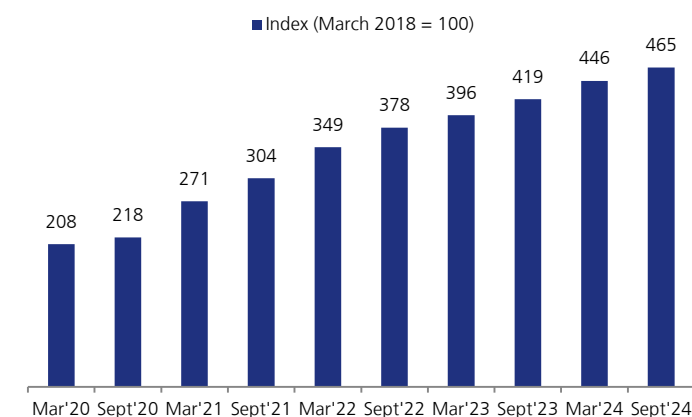
Industry Overview

Digital Payments market in India

India's digital payments ecosystem has been the foundation of the fintech revolution, supported by UPI adoption, smartphone penetration, merchant digitisation and regulatory backing. In FY25, digital transaction volumes surged 34.8% YoY, while transaction value expanded 17.9% YoY, reflecting deepening consumer trust and penetration across tier 2/3 markets.

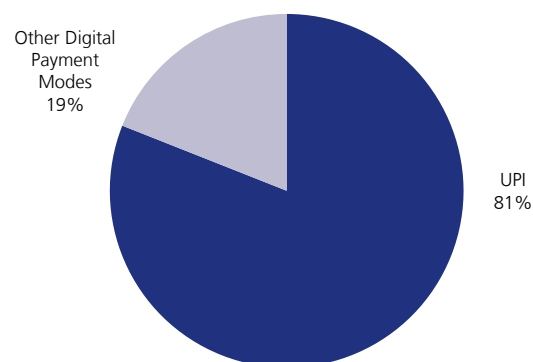
The RBI's Digital Payments Index (DPI), which tracks enablers, infrastructure and adoption, continues to scale new highs, underlining the structural shift towards a digitally-empowered, cashless economy. UPI has now become a default payment mode across retail and small businesses, creating a strong foundation for allied products such as credit-on-UPI, embedded finance and digital lending.

Exhibit 29. Digital payments index



Source: RBI annual report FY25

Exhibit 30. Share of UPI transactions in FY24-25 (basis volume)

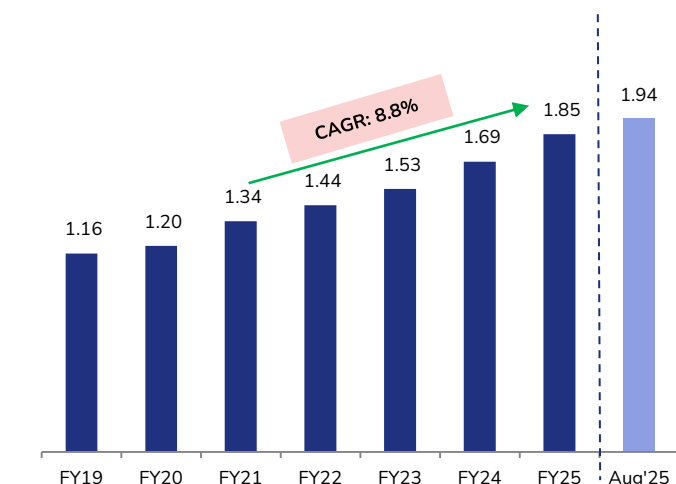


Source: Company Annual report

Registered companies and payroll base

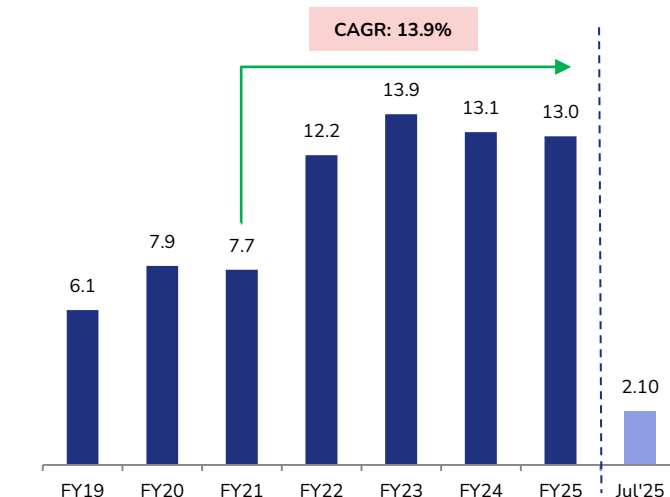
According to data from the Ministry of Corporate Affairs (MCA), the number of active registered companies in India has grown from 1.34mn in FY21 to 1.85mn in FY25 (~1.94mn as of Aug'25), implying a CAGR of 8.3%. Also, EPFO data indicates that net payroll additions have risen at 13.9% CAGR from 7.7mn in FY21 to 13mn in FY25 (~2.1mn in Jul'25). The steady rise in registered enterprises and salaried workforce highlights the structural shift towards business digitisation and organised employment. Zaggle's addressable market expands directly with this trend, supported by the increasing adoption of SaaS-based spend management and prepaid payment solutions across India's growing corporate base.

Exhibit 31. No. of active registered companies in India (mn)



Source: Ministry of Corporate Affairs database, JM Financial

Exhibit 32. Net payroll additions (mn)



Source: EPFO website, JM Financial

Overview of cards and Prepaid Payment Instruments (PPIs)

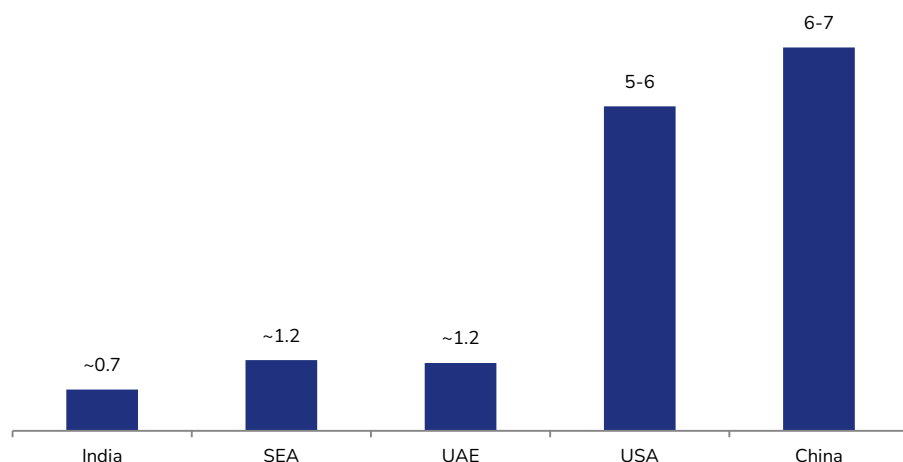
Card networks still account for a significant revenue pool in India despite the rapid scale-up of UPI, largely because of interchange fees. Credit card transactions typically carry ~2% interchange (lower for debit), while UPI transactions > INR 2,000 via PPIs attract up to 1.1% interchange for merchants. These fee structures help fund network infrastructure, fraud prevention, and rewards, creating a durable, monetisable layer atop India's largely zero-MDR UPI backbone. This framework has been particularly beneficial for enterprise platforms integrating corporate cards, PPIs, expense automation, and employee benefits, allowing them to capture both transaction-linked revenue and software-driven income while scaling efficiently with banks and networks.

India's credit card ecosystem continues to expand rapidly, with the number of credit cards in circulation having grown from 58mn in FY20 to 110mn in FY25. This growth reflects a strong consumer shift towards digital and cashless payments, underpinned by increased adoption of credit-based instruments. Transaction values have seen an even sharper trajectory, climbing from USD 104bn in FY20 to USD 243bn in FY25, highlighting the growing monetisation potential. Despite the uptick seen, India still has one of the lowest number of cards (credit and debit) per capita at ~0.7, significantly lower as compared to the USA and China at 5-7 cards per capita in 2023.

There has also been a rapid rise in co-branded cards over the past decade with FY19-24 CAGR of 60%. This is again driven by enhanced personalisation in rewards and loyalty programmes for which banks partner with merchants across various categories and also with fintech players to benefit from enhanced distribution capabilities.

Forex cards, valued at ~USD 190bn in CY24E, are also gaining traction and projected to grow at 13.6% CAGR, reaching ~USD 418bn by CY30E. Key growth drivers include rising cross-border e-commerce transactions, an increasing preference for digital payment solutions among tourists, and the need for secure, cost-efficient instruments for international business travelers.

Exhibit 33. Cards per capita - global comparison (as of FY24)



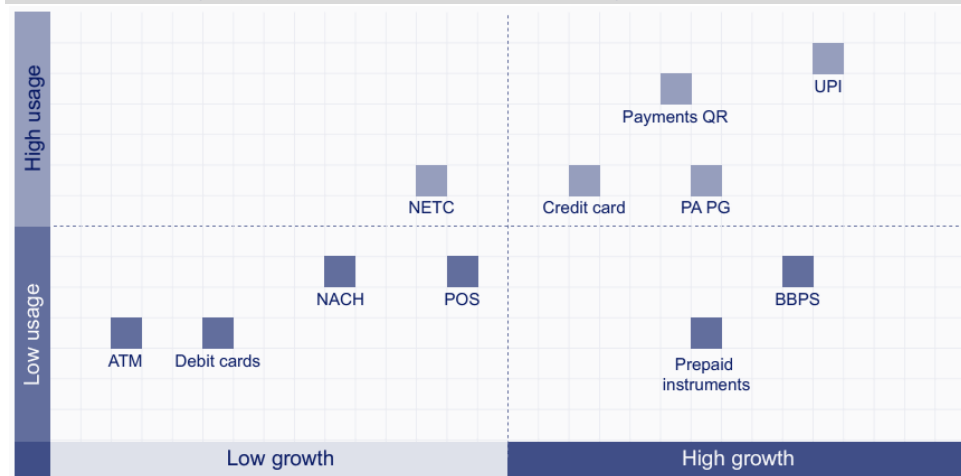
Source: Pine Labs RHP, JM Financial

Prepaid cards have seen decent adoption recently due to the versatility available but India still has only 0.2 cards per capita compared to 4 in the USA. This market is witnessing robust growth, expanding at 23% CAGR during 2018-23 to ~USD 45bn in 2023, and is forecasted to reach USD 146bn by 2028, translating to 27% CAGR. Growth is being driven by digital adoption, corporate gifting, and the rising popularity of loyalty and incentive programmes, particularly in the retail and BFSI sectors. Personalised gifting solutions and regulatory clarity have further strengthened market penetration, while the increasing role of e-commerce has amplified customer engagement. This has resulted in gift cards becoming a major category with prepaid cards, representing 12% by TPV.

While PPIs continue to offer user-friendly payment options, their growth was moderate historically with use cases being captured by Buy Now, Pay Later (BNPL) solutions. Following recent regulatory interventions, financial institutions are now recalibrating these products to offer regulatory-compliant products. Furthermore, with some recent use cases, the upcoming years will be crucial in determining the trajectory of PPIs and their role in shaping India's digital economy.

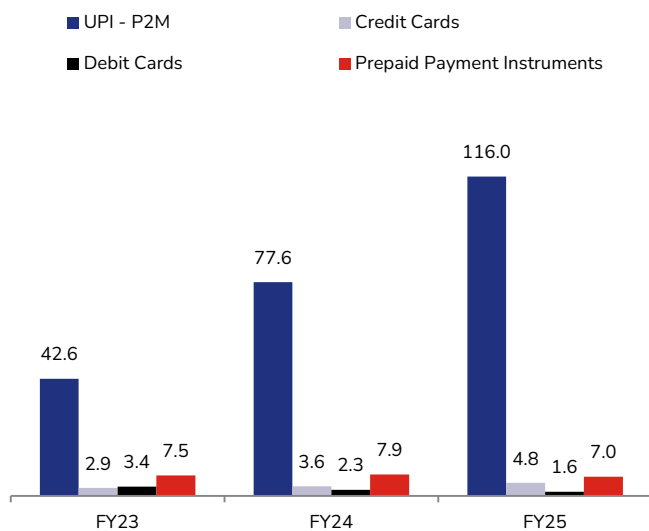
Acceptance infrastructure refers to the systems and tools that allow businesses to accept digital payments, whether in physical stores or online. It includes UPI QR codes, card-swiping or tap machines (POS terminals), and online payment gateways that process transactions. In FY25, this infrastructure grew rapidly, with UPI QR codes rising 91.5% YoY to 6.58bn and POS terminals increasing 24.7% YoY to 11mn. This expansion is creating an omnichannel environment where cards, PPIs, and UPI coexist seamlessly, making it easier for customers to pay digitally and helping merchants tap into the growing digital economy.

Exhibit 34. Mapping of payment instruments with respect to growth and adoption



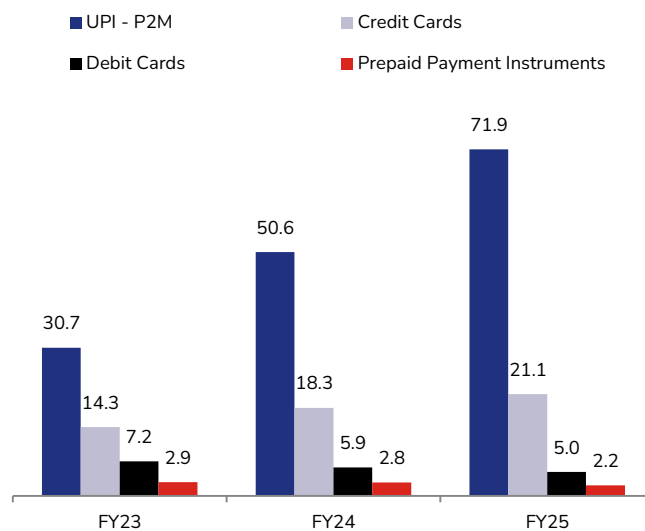
Source: RBI; NPCI; PwC analysis

Exhibit 35. Transaction volumes across UPI-P2M / CC / DC / PPI



Source: RBI annual report FY25, NPCI

Exhibit 36. Transaction value across UPI-P2M / CC / DC / PPI

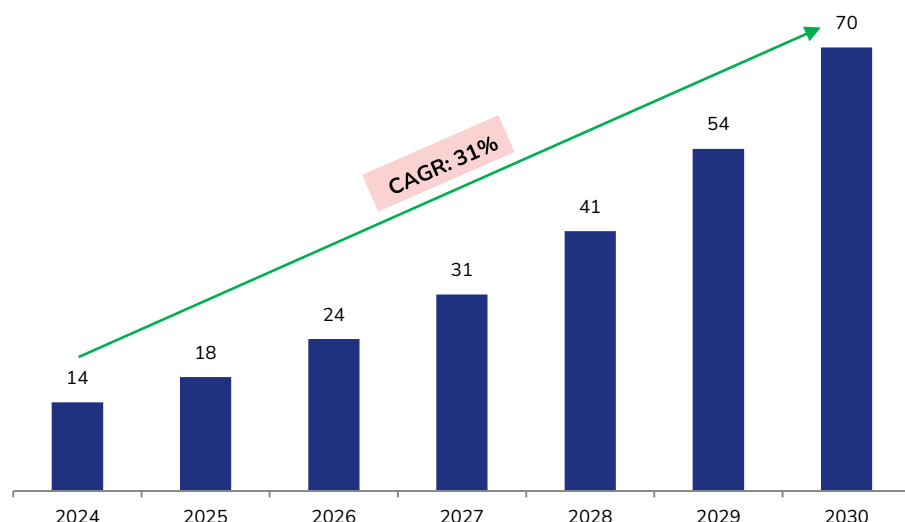


Source: RBI annual report FY25, NPCI

Software-as-a-Service (SaaS) market

SaaS-led fintech platforms are becoming enterprise-necessary infrastructure, integrating corporate payments, expense management and analytics into unified systems. The Indian SaaS market is projected to grow from USD ~14bn in 2024 to ~USD 70bn by 2030, driven by enterprise digitisation and demand for scalable, data-driven solutions. As of Mar'25, India had 1,000+ SaaS companies, with 150+ earning annual revenue >USD 1mn, reflecting its rise from a nascent sector to a global powerhouse. These platforms increasingly embed AI, machine learning, and blockchain to enhance fraud detection, automate workflows, and generate predictive analytics. This convergence of SaaS and fintech creates a significant runway for players offering multi-product, integrated solutions.

Exhibit 37. India SaaS market size (USD bn)



Source: Media reports, JM Financial

Spend Management Software and Services Market

Corporates are increasingly digitising expense management workflows to implement compliance, reduce manual intervention, and streamline reimbursements. SaaS-driven solutions are now integrating with ERP systems and banking partners, enabling real-time visibility and seamless processing. There remains limited awareness about spend management solutions, resulting in 55-60% companies using fragmented products for various functions. India's outsourced spend management software and services market is expected to double in 5 years to INR 131bn by 2027. Of this, c.80% is expected to come from software solutions.

The Accounts Payable (AP) automation market is projected to grow from INR ~11.9bn in CY24E to INR ~21.8bn by CY30E at 10.6% CAGR, driven by increasing adoption of real-time invoice tracking, automated vendor management, and AI-led reconciliations. These platforms are becoming mission-critical for CFO functions in mid-to-large enterprises.

Exhibit 38. Outsourced spends management and HCM service categories in India

Category	Definition	Key Trends
Employee Expense Management	Employee expenses are mainly categorised into reimbursable expenditures [travel expenses (local conveyance, flight and hotel bookings, among others), meal expenses, medical expenses, telecom expenses, and fuel expenses], non-reimbursable expenditures, and reward payments.	~82% of companies are either partially or entirely lacking in making the whole travel and expense process automated despite being the 2nd largest operational expense after payroll. 48% of companies do not have a system to detect fraud as expenses are mapped manually.
Employee Rewards and Recognition	Employee recognition and reward system refers to a programme set up by the company to reward performance and motivate employees.	Most Indian organisations have employees of all age groups and same trend will continue in the future.
Vendor payment management	A system that oversees the payment of a business's external suppliers for goods, services, or both.	Modern enterprises have started automating their vendor management procedures to reduce compliance risks.
Negotiation as a service (NaaS)	A platform that allows businesses to automate tailored commercial negotiations at scale, to secure the best deal for their consumers. It compares and evaluates proposed terms and conditions and compares them to others in the market to centre. However, this is changing due to use of cutting-edge technology.	Large corporates spend more than 1/3rd of their sales on categories that may be purchased through negotiated contracts. NaaS used to require hiring an outsourcing and reach an agreement that is suitable for both sides.
Payroll Management	Payroll management within expense management covers employee salaries and incentives payment management and replacing older systems with advanced payroll solutions to minimise the time spent may also keep a financial record of employees' gross earnings, on the administration; increasing adoption of a WFH policy, and maintaining payroll payroll deductions, net pay, and the employer's payroll tax records and avoiding penalties are some of the major factors increasing adoption due.	Requirement for managing an expanding workforce, as well as the rising need of employee salaries and incentives payment management and replacing older systems with advanced payroll solutions to minimise the time spent may also keep a financial record of employees' gross earnings, on the administration; increasing adoption of a WFH policy, and maintaining payroll payroll deductions, net pay, and the employer's payroll tax records and avoiding penalties are some of the major factors increasing adoption of the payroll management.
Channel partner incentivisation	A behaviour modification tool designed to reward partners for achieving specific goals, excluding direct cash incentives.	Recent incentives have focused on increasing liquidity in the system, rewarding stronger sales performance, and covering dealer overhead expenses such as purchasing sanitisers and safety equipment.
Gift Card Loyalty Program ("GCLP")	A benefits programme that helps employees save money through financial wellness packages with outstanding perks and corporate discounts.	Several companies are offering incentives, while others are providing sustainable and fitness-related presents; Multicategory gifting company "IGP" has seen rapid adoption in gifting.

Source: Company, JM Financial

Rewards, benefits and channel incentives

Employee rewards and channel incentive programmes are evolving rapidly, moving from manual, offline structures to technology-first platforms. The employee benefits market is expected to grow at ~25% CAGR, with companies adopting flexible digital benefits, mental health support, and mobile-first platforms to retain and engage talent.

In the channel loyalty space, 94% of partners now prefer mobile-first platforms, while AI-driven engagement and gamification are boosting participation and RoI, with AI-led campaigns driving ~28% higher retention. These trends are creating a large addressable market for integrated rewards and incentive platforms.

Indian Trucking Industry

India's trucking industry is crucial to the nation's logistics sector, accounting for 70%+ freight movement. With ~12.5mn trucks and 3.5mn truck operators as of FY24, the revenue pool is expected to grow from USD 18bn-25bn in FY24 to USD 35bn by FY28. With a growing Indian economy becoming incrementally interlinked, growth trends in road logistics are expected to continue due to several factors such as increased consumption, infrastructure upgrades, and high-density freight corridors.

Despite being an industry with a huge existing TAM that is capable of compounding at a rate significantly faster than GDP growth, there is a dearth of companies looking to organise the industry at scale. There remains vast revenue potential in the trucking industry depending on the ability of companies that eliminate inefficiencies and optimise distribution networks. Currently, Indian fueling revenue opportunity from digital fuel cards is roughly USD 190mn-200mn, which is expected to grow at 19-21% CAGR until FY28 driven by higher vehicles and higher penetration of loyalty programmes. Zaggle has ventured into this through its customers in the CGD space who issue cards to their fleet operators.

Zaggle Ecosystem

Zaggle has built a differentiated spend management platform that operates at the intersection of SaaS workflows and embedded payments, positioning it uniquely in India's fast-expanding B2B2C fintech space. By combining employee rewards and reimbursement, channel partner incentive management and corporate accounts payable payments within a unified ecosystem, Zaggle enables enterprises to digitise and control their financial processes at scale. The solutions also enable easier compliance and approval processes for Zaggle's corporate clients. This platform-centric approach has translated into deep client engagement. Zaggle's offerings deliver both operational efficiency and strategic visibility to its clients, creating significant entry barriers for competition.

Save (employee expense and benefits management): The Save module anchors Zaggle's platform with a comprehensive employee expense and benefits management solution. It allows enterprises to streamline expense reimbursements, manage allowances and disburse tax-advantaged benefits through co-branded cards and a mobile-first interface. Administrators can set granular controls on usage, automate approvals and monitor spends in real time, while employees benefit from simplified expense claims and transparent tracking. Compared to 5-35 days of payment cycles for employee reimbursements, Save can bring it down to a few days only. Beyond core expense reimbursement, Save also supports tax-optimised benefits, such as meal and fuel cards, and integrates seamlessly with payroll systems. These features make it a critical retention and productivity tool for enterprises while driving recurring, sticky revenue for Zaggle.

Zoyer (accounts payable and vendor payment automation): Zoyer is Zaggle's flagship accounts payable and vendor payment automation solution, enabling enterprises to digitise and control procurement and payable workflows. The platform integrates invoice capture, multi-level approval processes, automated reconciliations and vendor onboarding into a single, intuitive system. A key sub-module, **BROME (Branch Recurring Operating Monthly Expenses)**, addresses recurring branch-level expenses such as petty cash, utilities (via BBPS integrations), rentals and other operational costs. This allows enterprises with distributed operations, such as retail chains, logistics players and financial services companies, to manage spends centrally, enforce compliance and eliminate leakages. Zoyer's ability to combine operational control with real-time analytics has made it the fastest-growing module in Zaggle's portfolio, with several large corporates adopting it as their primary expense automation tool.

Propel (channel incentives and loyalty management): The Propel platform digitises and simplifies channel partner incentives, rewards and loyalty programmes for enterprises operating across distributed networks. Propel enables clients to design, deploy and monitor complex incentive structures for dealers, distributors and partners in real time. It supports instant payouts through cards or digital vouchers, provides extensive redemption options and generates actionable insights through performance analytics dashboards. Large brands in FMCG, healthcare and technology leverage Propel to reduce leakage, improve partner satisfaction and drive higher engagement. With increasing focus on performance-linked incentives in sales-driven industries, Propel is emerging as a critical revenue driver, benefiting from strong cross-sell opportunities into Zaggle's existing enterprise relationships.

Fleet solutions (fuel and logistics spends optimisation): Zaggle's fleet solutions cater to enterprises managing transportation and logistics operations by providing fuel card issuance, spend controls and real-time monitoring. The platform integrates with partner fuel networks and offers API-based tracking, enabling administrators to set transaction-level limits, monitor usage and generate trip-level analytics. This solution addresses one of the largest uncontrolled expense lines for logistics-intensive businesses by providing transparency, reducing fraud and optimising fuel consumption. Early adoption from fleet operators, logistics aggregators and utility service providers highlights the significant addressable market for this offering, with potential to scale meaningfully as digital adoption deepens in the sector.

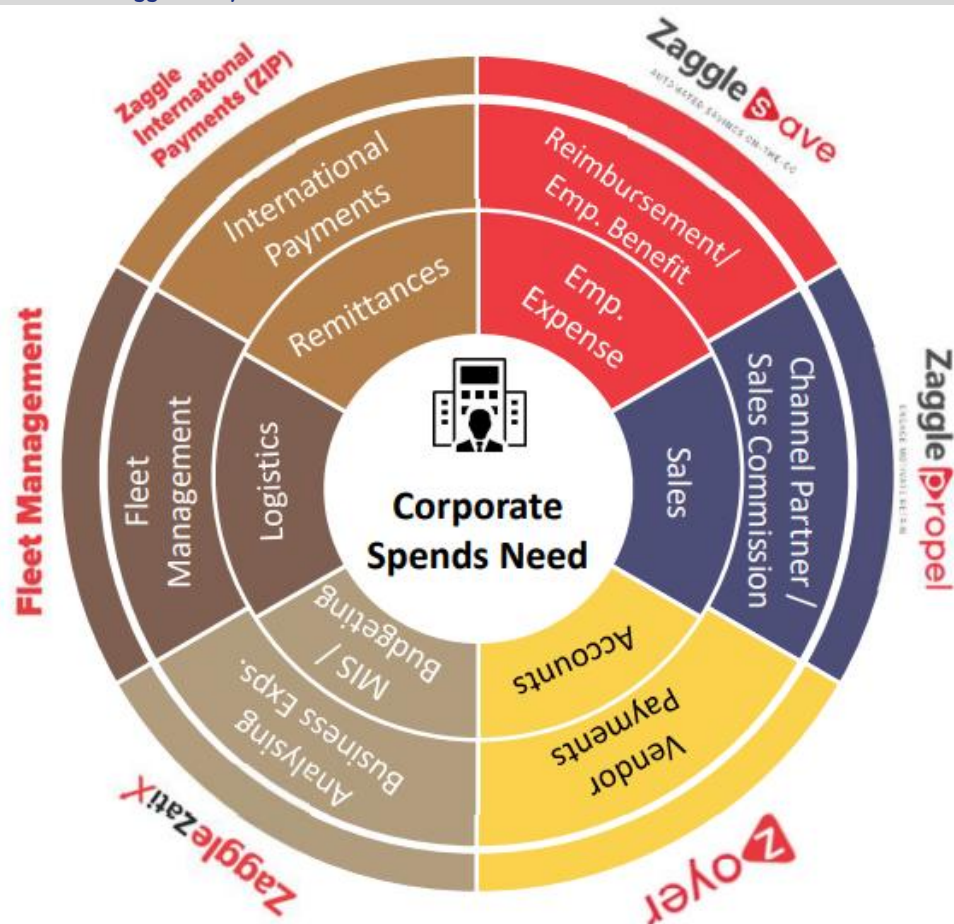
Corporate prepaid and co-branded cards: At the core of Zaggle's ecosystem lies its card issuance infrastructure, supported by partnerships with leading banks and payment networks. The company has issued 50mn+ prepaid and co-branded cards, cementing its position as India's largest prepaid card issuer with 16%+ market share in FY23. These cards act as the rails for multiple solutions - be it employee benefits via Save, vendor payments through Zoyer, incentives on Propel, or fuel spends for fleet management - making the card layer a critical enabler of platform adoption. Additionally, Zaggle's Smart Employee Purchase Programme (Smart EPP) allows corporates to extend structured

purchase and leasing options to employees, enhancing engagement while driving incremental transaction volumes on its network.

Unified digital platform: Zaggle's ecosystem is built on a symbiotic integration of SaaS platforms, payment instruments and partnership networks, creating a powerful spend management engine for corporates, SMEs and startups. At its core, SaaS tools such as Propel, Zoyer, EMS, Save and ZatiX drive automation, analytics and engagement. These are tightly coupled with financial instruments - prepaid, credit, gift, closed-loop and forex cards - delivering a full stack solution from expense initiation to disbursement. Zaggle's strategic collaborations include partnering with ~19 banking partners and ~3 payments network partners, allowing seamless integration across platforms, banking rails and user interfaces.

This allows Zaggle to monetise across multiple streams such as SaaS fees (subscription-based), programme fees (interchange-sharing) and value-added services (VAS fees). The result is high cross-sell synergies, low acquisition costs in B2B and high retention driven by integrated stickiness. Moreover, with recent expansions such as international card capabilities via Mesh Payments and fleet solutions, Zaggle is extending its footprint from domestic payroll and expense workflows to global corporate spend orchestration.

Exhibit 39. Zaggle Ecosystem

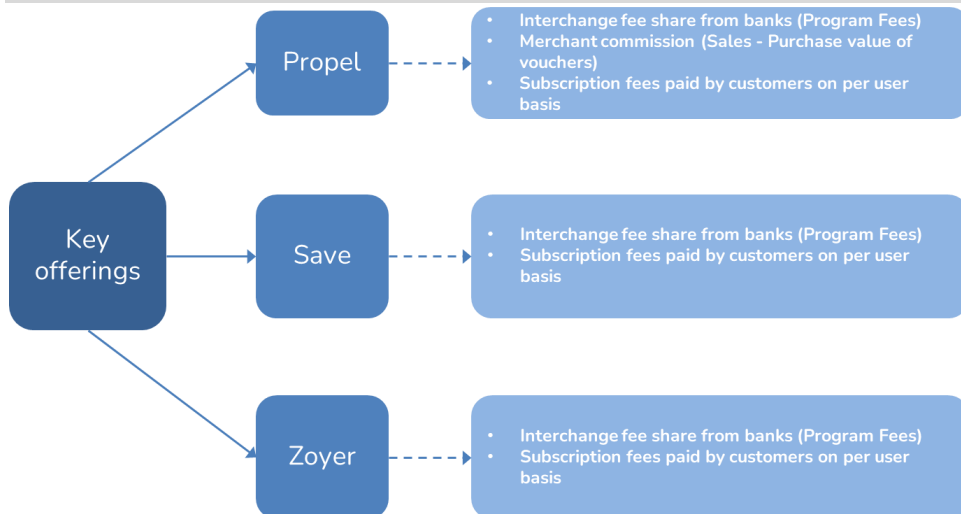


Source: Company

Revenue Model

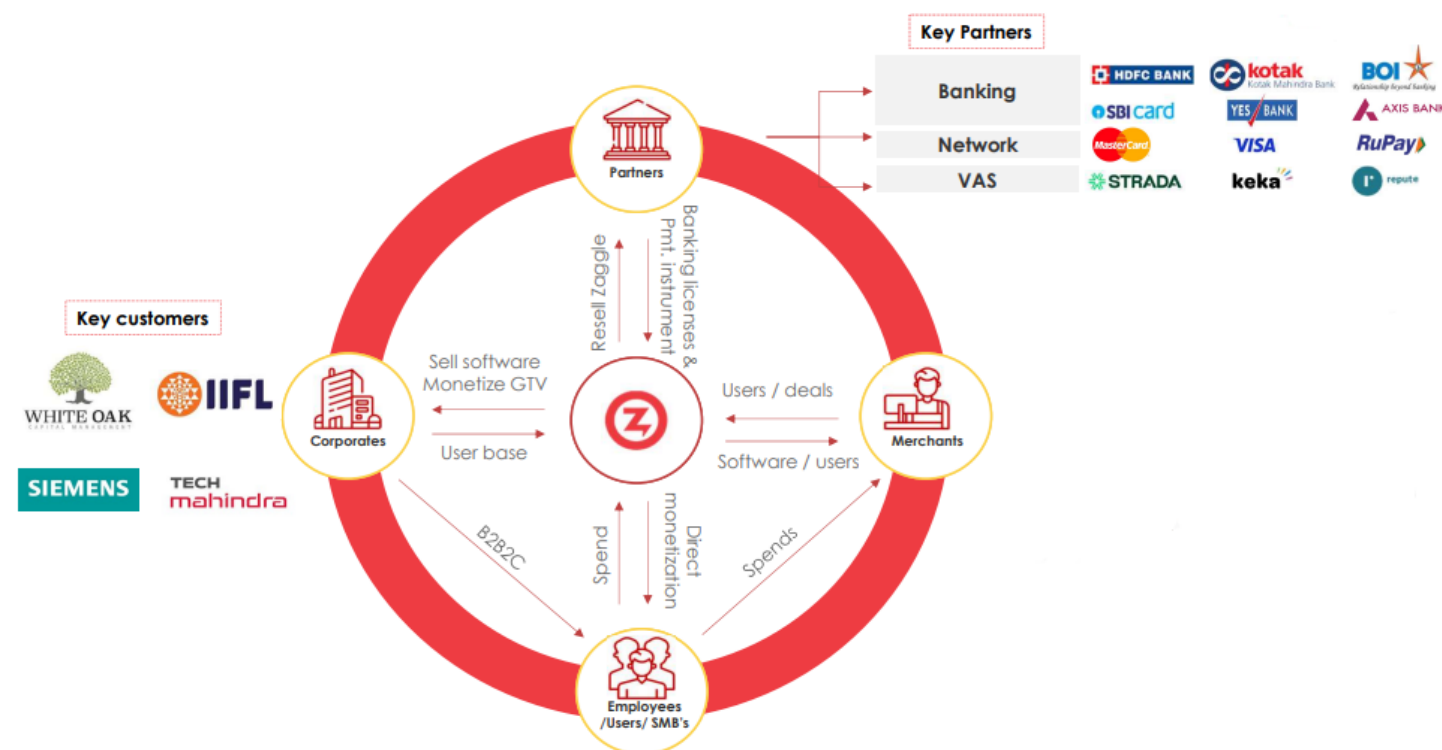
Zaggle operates a diversified revenue model consisting of interchange fees, subscription fees and merchant commissions. It acts as a programme manager for co-branded prepaid and corporate cards under platforms such as Propel, Save and Zoyer, earning a share of interchange fees from partner banks, subscription fees from corporates, and merchant commissions on voucher and reward redemptions. The company also generates steady SaaS-based income through its expense automation platform Zoyer, where clients pay per user or licence-based fees. Newer offerings such as ZatiX (AI-led analytics), fleet management, and Zaggle International Payments (ZIP) are building incremental revenue streams through subscription and transaction-linked models.

Exhibit 40. Revenue model



Source: Company, JM Financial.

Exhibit 41. Revenue model across stakeholders in ecosystem



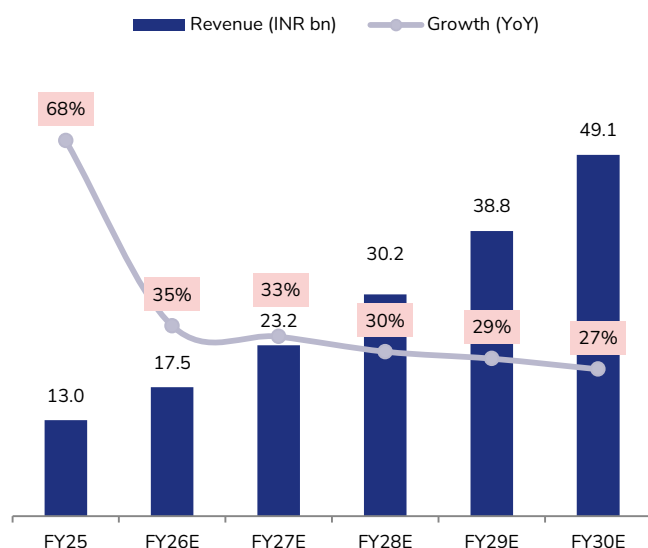
Source: Company

Financial Analysis

We expect revenue to grow at c.30% CAGR over FY25-30E led by 21% / 25% / 35% growth CAGR in SaaS fee / Programme fee / Propel revenue respectively. Platform fees will be driven by c.14% CAGR growth in customer base whereas average subscription fee per customer is expected to grow at c.6% CAGR over FY25-30E. Programme fees, which has the largest share of revenue mix, is likely to be driven by c.17% CAGR growth in users whereas average programme fee per user is expected to grow at CAGR of c.6% over FY25-30E due to increasing cross-sell opportunities in the newer use-cases. Furthermore, growth could be amplified by inorganic acquisitions in the pipeline.

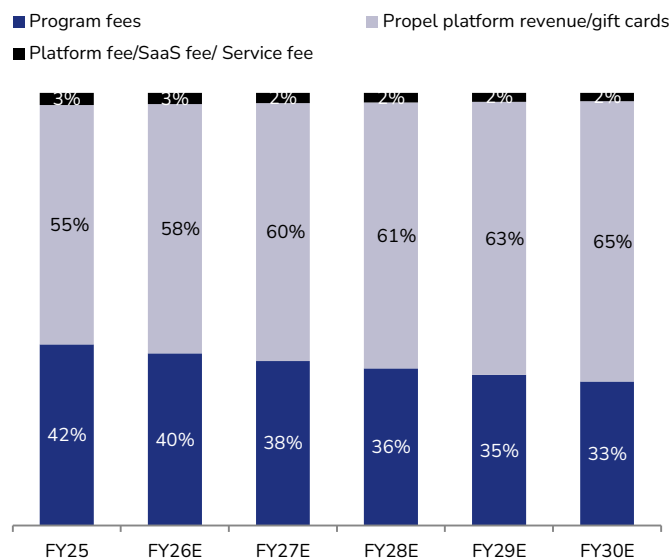
As Zaggle is a fintech-SaaS platform, we believe there is significant potential for EBITDA margin expansion. Hence, EBITDA is expected to grow at a CAGR of 38% led by ~60bps expansion in EBITDA margin over FY25-30E to 11.6% in FY30, mainly driven by reduced incentives / cashbacks and other expenses leading to operating leverage. We expect PAT CAGR of ~38% over FY25-30E. We expect RoE / RoCE of the business to remain robust and improve from 9.6% / 7.6% in FY25 to 17.8% / 16.4% in FY30E.

Exhibit 42. Gross revenue to grow at 30% FY25-30 CAGR



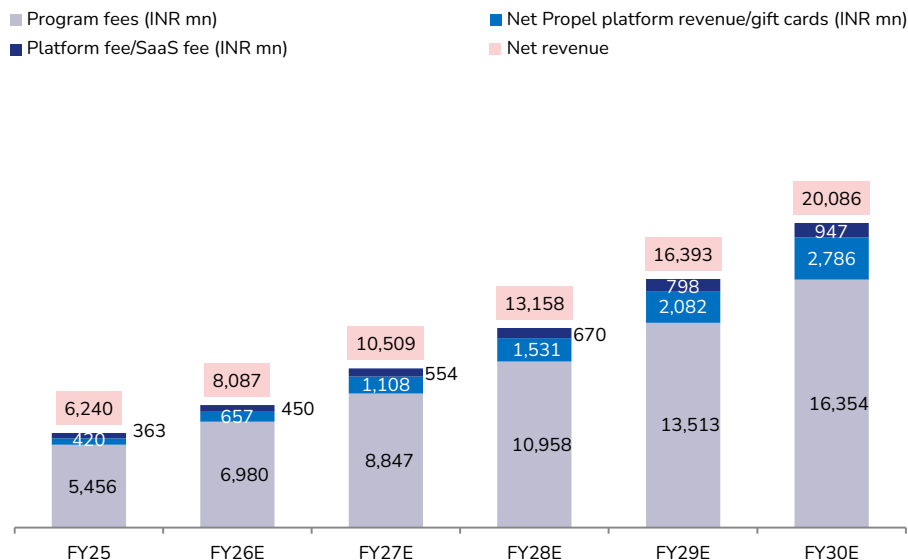
Source: Company, JM Financial

Exhibit 43. Programme fees is expected to gain revenue mix share

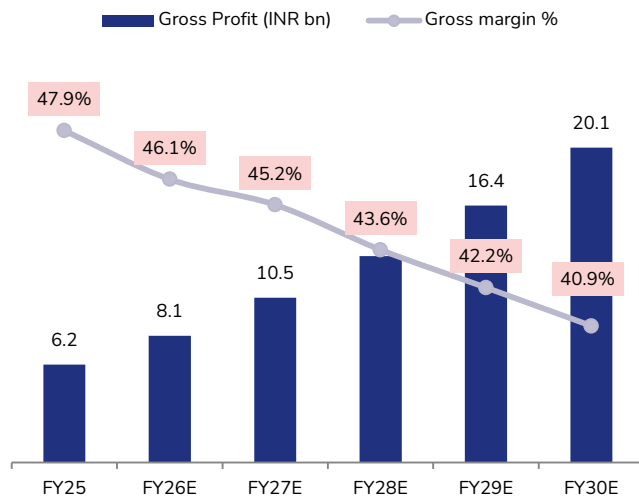


Source: Company, JM Financial

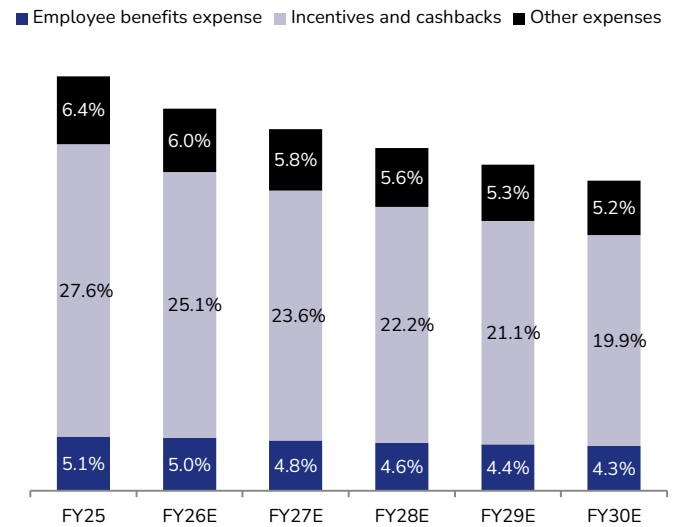
Exhibit 44. Net revenue expected to triple in 5 years



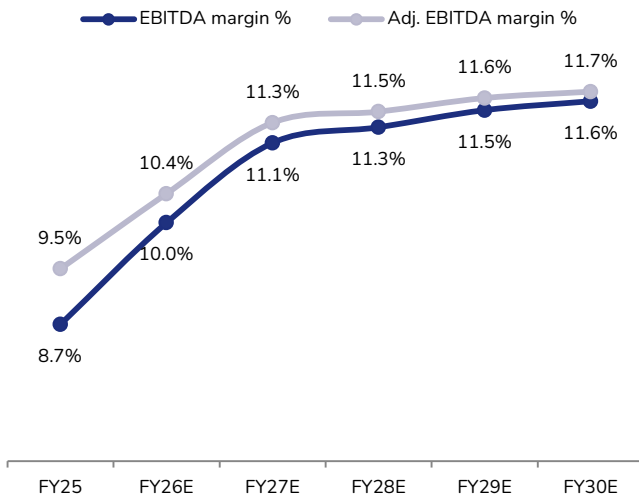
Source: Company, JM Financial

Exhibit 45. Gross margin to dip due to rising mix of Propel revenue

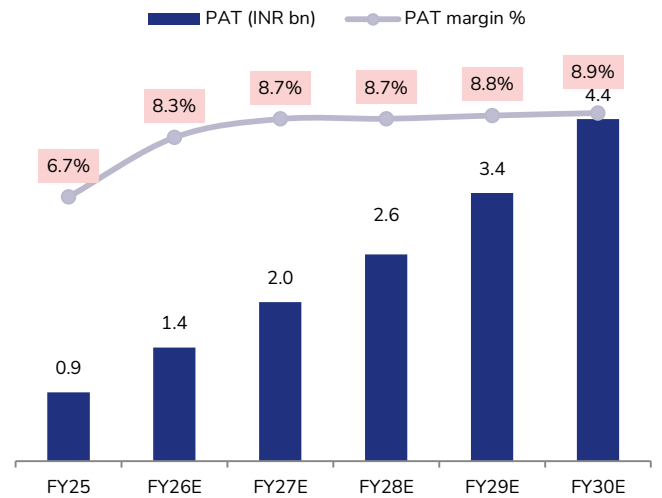
Source: Company, JM Financial

Exhibit 46. Indirect expenses (as % of revenue) trend

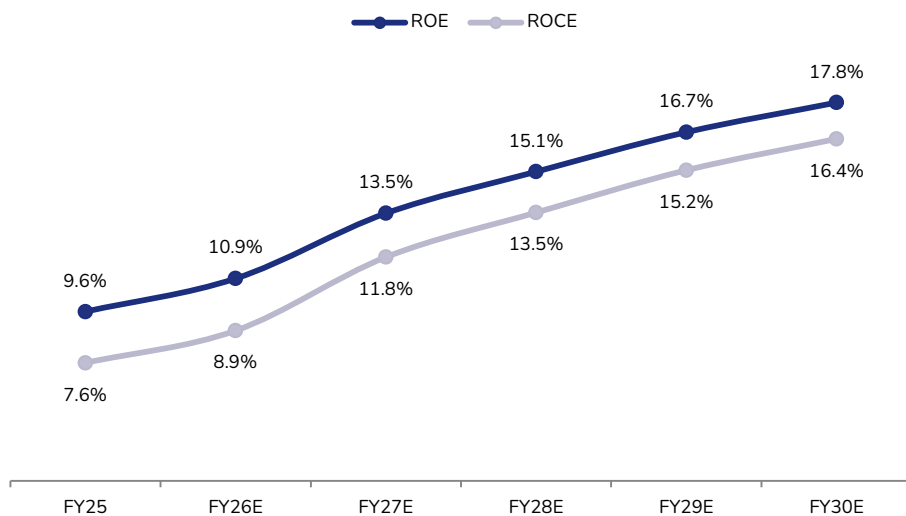
Source: Company, JM Financial

Exhibit 47. EBITDA and Adj. EBITDA margin trend

Source: Company, JM Financial

Exhibit 48. PAT and PAT margin trend

Source: Company, JM Financial

Exhibit 49. Return ratios to improve sharply with sustained growth and margin enhancement

Source: Company, JM Financial

Key Risks

- **Regulatory and compliance exposure:** Zaggle's business is subject to regulation by various statutory and regulatory authorities in India, including the MCA and the RBI, and others. Any failure or alleged failure to comply with the applicable laws, regulations or requirements or changes in laws related to PPIs, interchange fees or data governance could impact operations. Besides this, the banking partner's compliance status can affect Zaggle's offerings.
- **Dependence on 3rd party network partners and banking partners:** Zaggle and its banking partners are dependent on 3rd party payment networks, such as Visa / Mastercard / Rupay to process payments made using prepaid cards. Based on the agreements, banking partners share a portion of the fees (which are largely earned as a % of the spending levels on a prepaid card) with Zaggle. The company also earns business development incentives directly from payment networks. The banking partners may breach their agreements with the payment networks and/or with Zaggle, or the payment networks may not be inclined to renew their agreements on terms that are commercially favourable. In the changing regulatory landscape, the payment networks may also be led to impose additional requirements on the banking partners and/or Zaggle, or directly compete with them.
- **Revenue concentration risk:** Zaggle has issued more than 50mn co-branded prepaid cards since inception. As a result, a significant portion of its revenue comes from programme fees, which primarily consist of interchange fees earned through banking partners. Programme fees contributed ~42% of Zaggle's total revenue FY24 / FY25. Any disruption in this business can significantly affect the company's financial performance.
- **Customer acquisition and retention risk:** Zaggle's agreements with customers typically range from 1 to 3 years, with certain customers entitled to terminate the agreements with or without cause. Many new customers originate from word-of-mouth and other non-paid referrals from existing customers, making it important for Zaggle to ensure that the existing customers continue using its products. Failure to retain key customers, expand product usage, or convert beta users into paying clients could slow revenue growth.
- **Highly competitive industry:** The market for SaaS products and services is very competitive, fragmented, and subject to rapid changes in technology, shift in user and customer needs, new market entrants, and frequent introductions of new products and services. The competitors might invest in more extensive R&D efforts, have far-reaching marketing campaigns, and adopt more aggressive pricing policies that might allow them to build larger customer bases. The competitors may also offer their products and services at a lower price, delayed payment terms, financing terms, or other terms and conditions that are more enticing to potential customers.
- **Integration of products with 3rd party platforms:** Zaggle's products are integrated with a variety of hardware and software platforms and SaaS products and technologies. It needs to continuously modify and enhance them to adapt to changes in hardware, software, and browser technologies. The company's business will be adversely affected if any key third-party platform discontinues or limits access to its software or APIs; modifies terms of service, including fees charged; changes how information is accessed by Zaggle or its customers; establishes more favourable relationships with competition; or develops its own competitive offerings.

Company Background

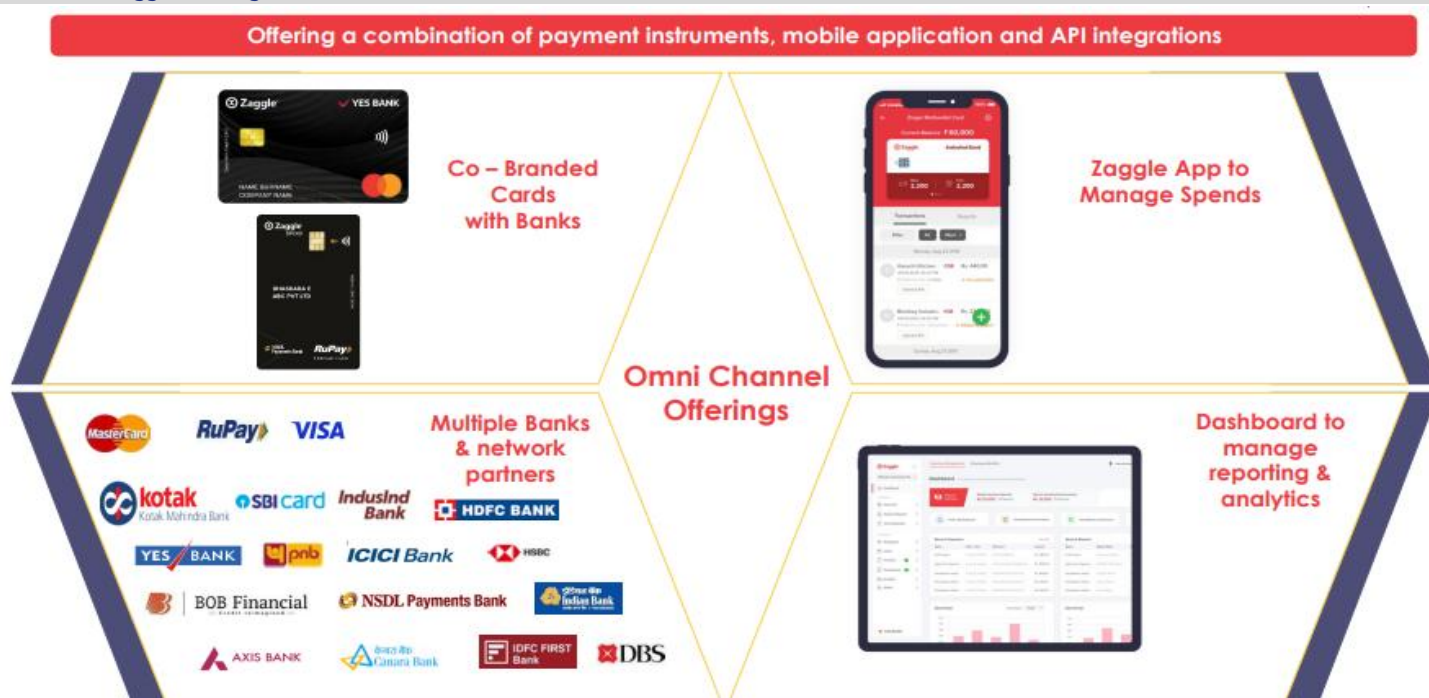
Zaggle Prepaid Ocean Services Limited ('Zaggle') is a leading B2B2C SaaS fintech platform in India, delivering integrated spend-management solutions to enterprises. Founded in 2011 and headquartered in Hyderabad, the company operates at the intersection of payments and SaaS, enabling businesses to streamline and digitise key functions such as employee benefits, expense management, vendor payments, channel incentives, and fleet operations. With partnerships spanning 19 prominent banks and global payment networks, Zaggle has built a robust ecosystem that supports scale, innovation, and reliability. This strong foundation has made Zaggle the largest issuer of prepaid cards in India, with 50mn+ cards issued and a growing base of 3.3mn active users across 3,500+ corporate clients in sectors such as IT, BFSI, retail, healthcare, manufacturing, and logistics.

The company's product stack is designed to simplify and integrate complex financial workflows. **Save** manages employee expense reimbursements and benefits, **Zoyer** automates vendor payments and accounts payable processes, **Propel** powers channel partner loyalty and incentive programmes, and **fleet solutions** optimise fuel and logistics spending. These are delivered on a unified digital platform supported by a mobile-first interface, API-ready architecture, and multilingual capabilities, driving higher user adoption and customer stickiness with churn consistently below 1.5%.

Zaggle's growth strategy is underpinned by continuous innovation, cross-selling, and strategic expansion. The company is embedding AI-driven automation across its platform, covering sales automation, bill processing, claims validation, and customer engagement, to enhance efficiency, improve user experience, and drive margin expansion. Its inorganic expansion plan complements this approach, with acquisitions such as Mobileware and TaxSpanner strengthening its payments and tax solutions ecosystem, and upcoming deals including Dice, Greenedge, and Rio.money that will enhance its capabilities in spend management, loyalty programmes, and consumer credit offerings.

In parallel, Zaggle is pursuing international growth, with the US and MENA markets identified as key opportunities. Partnerships like the collaboration with Mesh Payments and alliances with Mastercard, Grant Thornton, Tata Capital, and OneAssist are helping Zaggle expand its reach, diversify revenue streams, and build a global footprint. With its robust platform, deep customer relationships, and disciplined approach to growth, Zaggle is well-positioned to capitalise on the accelerating digitisation of spend management. By leveraging its integrated technology, strong banking alliances, and innovation-led roadmap, the company aims to deliver sustained value to stakeholders while shaping the future of enterprise financial workflows in India and beyond.

Exhibit 50. Zaggle offerings overview



Source: Company

Exhibit 51. Details of board of directors

Name	Designation	Director Since	Education	Prior Experience
Raj P Narayanam	Executive Chairman (Founder)	30-Apr-12	-Post Graduate diploma in Business Management (Finance) from the FORE School of Management, New Delhi	-Consulting at PWC and McKinsey -Experience in the technology and fintech industry
Avinash Ramesh Godkhindi	Managing Director and CEO	07-May-12	-Bachelors' degree in Engineering from Bangalore University -Masters' degree in Business Administration from the University of Chicago	-Assistant Vice President at Citibank N.A., India
Virat Sunil Diwanji	Non - executive, Non - independent Director	04-Oct-24	-Bachelors' degree in Mechanical Engineering from M.S. University, Baroda -Masters' degree in Business Administration from the FMS	-Kotak Group, A. F. Ferguson & Co.
Arunkumar Vijaykumar Gupta	Independent Director	26-Sep-22	-Bachelors' degree in Commerce from the P.D. Lion's College of Commerce and Economics, University of Bombay	-Director at Route Mobile Ltd.
Aravamudan Krishna Kumar	Independent Director	26-Sep-22	-Bachelors' degree in Arts and Economics (honors' course) from the University of Delhi	-State Bank of India
Abhay Deshpande Raosaheb	Independent Director	22-Aug-22	-Bachelors' degree in Computer Science and Engineering from the Dr. Babasaheb Ambedkar Marathwada University, Aurangabad, Maharashtra	-Director at Payswiff Technologies Pvt Ltd.
Prerna Tandon	Independent Director	26-Sep-22	-Masters' degree in Business Administration from the Panjab University, Chandigarh	-Vice President – operations at Infosys BPO Ltd. -Vice President – productivity and digitization leader at Genpact India

Source: Company, LinkedIn, JM Financial

Exhibit 52. Details of key managerial personnel

Name	Designation	In current role since	Education	Past Work experience
Venkata Aditya Kumar Grandhi	Chief Financial Officer	25 Aug'22	-Chartered Accountant	-VP (Investor relations and finance) at Spandana Sphoorty Financial Ltd.
Vidya Niwas Khetawat	Chief Strategic Officer	10 Dec'21	-Bachelors' degree in Technology in Chemical Engineering from Indian Institute of Technology, Delhi, New Delhi -Masters' degree in Engineering from The National University of Singapore -Master's degree in Business Administration from the University of Chicago	-Designated Partner - Nohara-Solargy Power LLP -Investment professional at Hudson Clean Energy Partners
Tapan Kulkarni	Chief of Staff	1 Oct'24	-R A Podar College -Master's degree in Business Administration from ISB	-Bizongo, Deloitte
Hari Priya	Company Secretary and Compliance Officer	18 Jan'22	-Member - Company Secretaries of India, New Delhi, - Bachelor's degree in Commerce from Devi Ahilya Vishwavidyalaya, Indore -Bachelor's degree in Law from Osmania University, Hyderabad	-Assistant General Manager (Company Secretary) at Axis Clinicals Ltd. -Assistant Company Secretary at Gayatri Projects Ltd. -Deputy Company Secretary and Manager–Corporate Affairs at Spandana Sphoorty Financial Ltd.

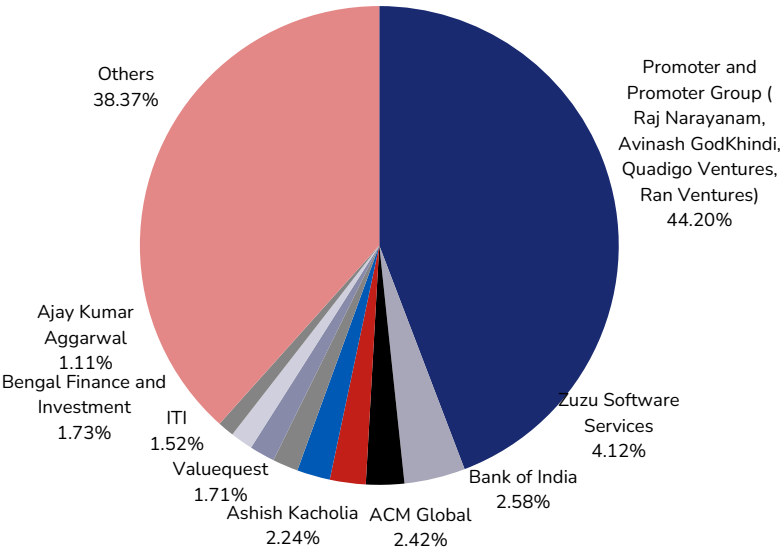
Source: Company, LinkedIn, JM Financial

Exhibit 53. Brief timeline

Financial Year	Particulars
2011	Incorporated as 'Zaggle Prepaid Ocean Services Pvt Ltd in Hyderabad, Andhra Pradesh
2015	Launched Zaggle app and started focusing on customer loyalty programmes
2019	Launched a prepaid card powered by IndusInd Bank Ltd.
2019	Launched a channel incentive and engagement platform, namely, 'PROPEL'
2019	Launched an expense management card platform namely 'Save'
2020	Partnered with Yes Bank Limited for issuance of cobranded prepaid cards
2021	Partnered with Razorpay, Tata Securities and Fibe (formerly EarlySalary) for offering VAS products including for insurance, investing and tax planning,
2021	Partnered with NSDL Payments Bank Ltd. for issuance of cobranded prepaid cards
2022	Launched an integrated data-driven business spend management platform with embedded finance capabilities, namely, 'Zoyer'
2022	Launched a wearable contactless payment device, in partnership with one of its preferred banking partners, namely, 'Zakey'
2023	Public listing; Partnered with YES BANK to launch a corporate credit card
2023	Launched Zaggle's ZatiX, a spend analytics platform
2024	Acquired 'SpanAcross', 'Mobileware'
2025	Acquired 'Effiasoft', 'Dice', 'GreenEdge', 'Rio.Money'
2025	Partnered with WSFx Global Pay to launch co-branded forex card

Source: Company, Media articles, JM Financial

Exhibit 54. Shareholding structure (diluted – as of Jun’25)



Source: Company, JM Financial

Financials

Exhibit 55. We expect Revenue/EBITDA/PAT CAGR of 32%/44%/44% over FY25-28E

All numbers in INR mn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Platform fee/SaaS fee/ Service fee	166	242	312	363	450	554	670
Program fees	2,007	1,695	3,218	5,456	6,980	8,847	10,958
Propel platform revenue/gift cards	1,539	3,598	4,225	7,218	10,106	13,845	18,552
Revenue from operations	3,713	5,535	7,756	13,038	17,536	23,246	30,180
<i>Change (YoY)</i>	<i>55%</i>	<i>49%</i>	<i>40%</i>	<i>68%</i>	<i>35%</i>	<i>33%</i>	<i>30%</i>
Gross profit	2,260	2,328	3,947	6,240	8,087	10,509	13,158
Gross margin	60.9%	42.1%	50.9%	47.9%	46.1%	45.2%	43.6%
<i>Change (YoY)</i>	<i>-2,614 bps</i>	<i>-1,880 bps</i>	<i>881 bps</i>	<i>-303 bps</i>	<i>-174 bps</i>	<i>-91 bps</i>	<i>-161 bps</i>
Employee benefits expense	154	436	513	667	877	1,104	1,373
Incentives and cashbacks	1,176	1,002	2,168	3,599	4,398	5,485	6,712
Other expenses	201	209	560	833	1,052	1,348	1,675
Total operating expenses	1,661	1,847	3,241	5,099	6,327	7,937	9,760
EBITDA	599	481	706	1140	1761	2571	3398
EBITDA Margin	16.1%	8.7%	9.1%	8.7%	10.0%	11.1%	11.3%
<i>Change (YoY)</i>	<i>461 bps</i>	<i>-743 bps</i>	<i>41 bps</i>	<i>-36 bps</i>	<i>130 bps</i>	<i>102 bps</i>	<i>20 bps</i>
ESOPs	0	144	150	93	65	60	60
Adj. EBITDA	599	625	856	1,233	1,826	2,631	3,458
Adj. EBITDA Margin	16.1%	11.3%	11.0%	9.5%	10.4%	11.3%	11.5%
<i>Change (YoY)</i>	<i>461 bps</i>	<i>-483 bps</i>	<i>-26 bps</i>	<i>-158 bps</i>	<i>96 bps</i>	<i>91 bps</i>	<i>14 bps</i>
Depreciation and amortisation expense	21	62	84	148	162	169	204
EBIT	578	419	622	992	1599	2403	3194
EBIT Margin	15.6%	7.6%	8.0%	7.6%	9.1%	10.3%	10.6%
<i>Change (YoY)</i>	<i>490 bps</i>	<i>-799 bps</i>	<i>45 bps</i>	<i>-41 bps</i>	<i>151 bps</i>	<i>122 bps</i>	<i>25 bps</i>
Finance costs	70	114	137	77	31	29	29
Other Income	4	11	113	268	361	339	358
Share of profit of an associate	0.0	0.0	0.0	0.8	6.5	0.0	0.0
Profit before tax	512	316	598	1,184	1,935	2,712	3,524
PBT margin	13.8%	5.7%	7.7%	9.1%	11.0%	11.7%	11.7%
<i>Change (YoY)</i>	<i>620 bps</i>	<i>-807 bps</i>	<i>199 bps</i>	<i>138 bps</i>	<i>195 bps</i>	<i>63 bps</i>	<i>1 bps</i>
Total tax	93	87	158	305	487	683	887
<i>effective tax rate</i>	<i>18.1%</i>	<i>27.6%</i>	<i>26.4%</i>	<i>25.8%</i>	<i>25.2%</i>	<i>25.2%</i>	<i>25.2%</i>
Profit after tax	419	229	440	879	1,448	2,030	2,637
PAT margin	11.3%	4.1%	5.7%	6.7%	8.3%	8.7%	8.7%
<i>Change (YoY)</i>	<i>324 bps</i>	<i>-715 bps</i>	<i>154 bps</i>	<i>107 bps</i>	<i>152 bps</i>	<i>47 bps</i>	<i>1 bps</i>
Minority interest	-	-	-	-0	-0.1	0.0	0.0
Adj. PAT	419	229	440	879	1,448	2,030	2,637
Diluted EPS (INR)	4.57	2.48	4.03	6.96	10.76	15.08	19.60

Source: Company, JM Financial

Exhibit 56. Balance sheet

All numbers in INR mn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Gross PPE	24	35	46	440	564	617	893
Accumulated depreciation	5	12	21	43	205	374	578
Net PPE	20	23	25	397	359	243	316
Right of use Assets	55	197	119	101	136	180	234
Intangible assets (Including under development)	59	178	580	1,400	1,578	1,860	2,113
Financial Assets	7	20	306	667	914	1,235	1,634
Other non-current assets	21	30	27	27	27	27	27
Income tax assets, net	124	119	11	19	19	19	19
Deferred tax assets (net)	25	23	28	8	8	8	8
Total Non-Current Assets	311	589	1,096	2,618	3,041	3,572	4,350
Inventories	1	1	4	3	3	3	3
Trade Receivables	430	1,027	1,746	2,152	2,654	3,200	3,906
Cash and Cash equivalents	7	196	79	382	456	803	1,227
Bank balances	29	42	2,719	6,152	6,152	6,152	6,152
Other Current assets	149	493	1,317	1,844	2,462	3,241	4,177
Total Current Assets	615	1,758	5,865	10,532	11,727	13,398	15,465
Total Assets	927	2,348	6,961	13,150	14,768	16,970	19,814
Equity share capital	2	92	122	134	134	134	134
Other Equity	-37	395	5,631	12,355	13,869	15,958	18,655
Total Equity	-36	488	5,754	12,490	14,003	16,092	18,789
Borrowings	645	1,211	736	85	80	82	77
Lease liabilities	58	203	130	113	135	156	172
Total Non-Current Liabilities	703	1,413	866	199	215	238	249
Trade payables	107	92	20	47	54	59	60
Provisions	7	12	17	24	24	24	24
Other liabilities	144	343	304	390	472	556	692
Total Current liabilities	259	447	341	462	551	640	776
Total Liabilities	927	2,348	6,961	13,150	14,768	16,970	19,814

Source: Company, JM Financial

Exhibit 57. Cash flow statement

All numbers in INR mn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Cash flow from operating activities							
PBT	512	316	598	1,184	1,935	2,712	3,524
Depreciation and amortization	21	62	84	148	162	169	204
Interest expense (including on interest on lease liabilities)	70	114	137	77	31	29	29
Interest Income	-1	-4	-103	-236	-361	-339	-358
Provision for doubtful debts	15	-2	-	-	-	-	-
ESOPs	-	144	150	93	65	60	60
Others	-1	-16	-4	-30	-0	-	-
Operating profit before working capital changes	615	614	862	1,236	1,832	2,631	3,458
Trade receivables	-217	-581	-720	-401	-502	-546	-706
Inventories	2	0	-3	0	-	-	-
Loans , other financial assets and other assets	-52	-297	-816	-466	-866	-1,099	-1,335
Trade payables	-84	-13	-73	22	7	5	1
Provision	2	4	6	10	-	-	-
Other liabilities	-5	151	8	70	82	84	136
Cash generated from operations	261	-123	-736	471	553	1,075	1,554
Income taxes paid (net of refund)	-60	-34	-92	-274	-487	-683	-887
Net Cash flow from Operations	201	-156	-827	197	66	393	667
Cash used in Investing activities							
Net Capex	-54	-162	-459	-675	-124	-53	-276
Capital advances for property purchases	-21	-	-	-	-	-	-
Movement in other than cash and cash equivalents, net	-	-1	-2,684	-3,438	-179	-281	-253
Investments	-24	-22	-241	-913	-	-	-
Interest received	1	3	65	167	361	339	358
Net cash used in Investing activities	-99	-181	-3,319	-4,858	59	5	-171
Cash flow from financing activities							
Proceeds from issue of equity shares	-	88	4,663	5,753	-0	-0	-0
Borrowings	-116	566	-475	-685	-6	3	-6
Payment of lease	-11	-25	-34	-40	-13	-23	-37
Interest paid	5	-103	-124	-64	-31	-29	-29
Cash flow from financing activities	-123	526	4,030	4,963	-50	-50	-72
Net Change in cash	-21	189	-116	302	74	347	424
Cash and Cash equivalent at the beginning of the year	28	7	196	79	382	456	803
Cash and cash equivalents pursuant to business combination	-	-	-	0	-	-	-
Cash at the end of the year	7	196	79	382	456	803	1,227

Source: Company, JM Financial

Financial Tables (Consolidated)

Income Statement					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	7,756	13,038	17,536	23,246	30,180
Sales Growth	40.1%	68.1%	34.5%	32.6%	29.8%
Other Operating Income	0	0	0	0	0
Total Revenue	7,756	13,038	17,536	23,246	30,180
Cost of Goods Sold/Op. Exp	3,809	6,798	9,449	12,737	17,022
Personnel Cost	513	667	877	1,104	1,373
Other Expenses	2,728	4,432	5,450	6,833	8,387
EBITDA	706	1,140	1,761	2,571	3,398
EBITDA Margin	9.1%	8.7%	10.0%	11.1%	11.3%
EBITDA Growth	46.8%	61.5%	54.5%	46.0%	32.2%
Depn. & Amort.	84	148	162	169	204
EBIT	622	992	1,599	2,403	3,194
Other Income	113	268	361	339	358
Finance Cost	137	77	31	29	29
PBT before Excep. & Forex	598	1,183	1,929	2,712	3,524
Excep. & Forex Inc./Loss(-)	0	1	6	0	0
PBT	598	1,184	1,935	2,712	3,524
Taxes	158	305	487	683	887
Extraordinary Inc./Loss(-)	0	0	0	0	0
Assoc. Profit/Min. Int.(-)	0	0	0	0	0
Reported Net Profit	440	879	1,448	2,030	2,637
Adjusted Net Profit	440	879	1,448	2,030	2,637
Net Margin	5.7%	6.7%	8.3%	8.7%	8.7%
Diluted Share Cap. (mn)	109.2	126.3	134.6	134.6	134.6
Diluted EPS (INR)	4.0	7.0	10.8	15.1	19.6
Diluted EPS Growth	62.5%	72.7%	54.6%	40.1%	29.9%
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

Balance Sheet					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders' Fund	5,754	12,490	14,003	16,092	18,789
Share Capital	122	134	134	134	134
Reserves & Surplus	5,631	12,355	13,869	15,958	18,655
Preference Share Capital	0	0	0	0	0
Minority Interest	0	0	0	0	0
Total Loans	736	85	80	82	77
Def. Tax Liab. / Assets (-)	-39	-27	-27	-27	-27
Total - Equity & Liab.	6,451	12,548	14,056	16,148	18,839
Net Fixed Assets	725	1,898	2,073	2,283	2,662
Gross Fixed Assets	46	440	564	617	893
Intangible Assets	580	1,400	1,578	1,860	2,113
Less: Depn. & Amort.	21	43	205	374	578
Capital WIP	119	101	136	180	234
Investments	3,025	6,818	7,066	7,387	7,785
Current Assets	3,173	4,408	5,603	7,274	9,340
Inventories	4	3	3	3	3
Sundry Debtors	1,746	2,152	2,654	3,200	3,906
Cash & Bank Balances	79	382	456	803	1,227
Loans & Advances	0	0	0	0	0
Other Current Assets	1,344	1,871	2,489	3,268	4,204
Current Liab. & Prov.	472	575	686	795	948
Current Liabilities	150	161	189	214	232
Provisions & Others	322	415	497	581	717
Net Current Assets	2,702	3,832	4,917	6,478	8,392
Total - Assets	6,451	12,548	14,056	16,148	18,839

Source: Company, JM Financial

Cash Flow Statement					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	598	1,184	1,935	2,712	3,524
Depn. & Amort.	84	148	162	169	204
Net Interest Exp. / Inc. (-)	35	-159	-330	-310	-329
Inc (-) / Dec in WCap.	-1,597	-766	-1,280	-1,556	-1,905
Others	146	63	65	60	60
Taxes Paid	-92	-274	-487	-683	-887
Operating Cash Flow	-827	197	66	393	667
Capex	-459	-675	-124	-53	-276
Free Cash Flow	-1,287	-478	-58	340	391
Inc (-) / Dec in Investments	-241	-913	0	0	0
Others	-2,619	-3,271	183	58	105
Investing Cash Flow	-3,319	-4,858	59	5	-171
Inc / Dec (-) in Capital	4,663	5,753	0	0	0
Dividend + Tax thereon	0	0	0	0	0
Inc / Dec (-) in Loans	-475	-685	-6	3	-6
Others	-158	-105	-44	-53	-67
Financing Cash Flow	4,030	4,963	-50	-50	-72
Inc / Dec (-) in Cash	-116	302	74	347	424
Opening Cash Balance	196	80	382	456	803
Closing Cash Balance	79	382	456	803	1,227

Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	5.7%	6.7%	8.3%	8.7%	8.7%
Asset Turnover (x)	1.8	1.4	1.3	1.5	1.7
Leverage Factor (x)	1.4	1.1	1.0	1.0	1.0
RoE	14.1%	9.6%	10.9%	13.5%	15.1%
Key Ratios					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	53.1	99.3	104.3	119.9	140.0
ROIC	20.4%	18.9%	23.1%	29.0%	31.9%
ROE	14.1%	9.6%	10.9%	13.5%	15.1%
Net Debt/Equity (x)	-0.4	-0.6	-0.5	-0.5	-0.5
P/E (x)	89.3	51.7	33.4	23.9	18.4
P/B (x)	6.8	3.6	3.5	3.0	2.6
EV/EBITDA (x)	65.0	36.1	23.2	15.6	11.6
EV/Sales (x)	5.9	3.2	2.3	1.7	1.3
Debtor days	82	60	55	50	47
Inventory days	0	0	0	0	0
Creditor days	1	1	1	1	1

Source: Company, JM Financial

APPENDIX I

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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.

Note: For REITs (Real Estate Investment Trust) and InvIT (Infrastructure Investment Trust) total expected returns include dividends or DPU (distribution per unit)

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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