

Info Edge | ADD

Hiring uncertainties to continue to weigh on performance

INFOE's 2Q operating performance was broadly in line, with standalone revenue and EBITDA growing 13.7% and 7.7% YoY, respectively. Segment wise, while recruitment profitability was a tad lower than expected, 99acres margin was a miss due to elevated marketing spends. INFOE had already reported standalone billings growth of 12.1% YoY with Recruitment/99acres/Jeevansathi and Shiksha businesses growing 10.8%/14.0%/29.3%/12.9% YoY, respectively. Recruitment billings growth was driven by healthy traction in GCC clients (+18% YoY), while trends in non-tech/consultant/IT Services clients were relatively muted at 11%/9%/7%, respectively. Importantly, the management suggested continued uncertainties in hiring trends across a broad set of clients owing to a wide range of macro factors. We moderate our EPS estimates by 3–4% over FY26–28 and revise down our SOTP-based Sep'26 TP to INR 1,450.

- **Broadly in-line operating performance:** Standalone revenue grew 13.7% YoY (+1.3% QoQ) to INR 7.66bn, a beat on JMFe by 1.6%. Recruitment / 99acres / Jeevansathi / Shiksha segments' revenue grew 12.8% / 12.8% / 29.4% / 17.8% YoY, respectively. EBITDA margin and operating PBT margin stood at 39.6% and 35.9%, respectively, a slight miss on JMFe by 86bps and 79bps, respectively. Consequently, EBITDA and operating PBT growth was limited to 7.7%/6.5% YoY, broadly in-line JMFe. Segment-wise, recruitment PBT margin contracted to 55.8% vs. 57.8% in 2QFY25 (52.5% in 1Q) while 99acres margin deteriorated to -20.3% from -13.9%/-16.9% in 2QFY25/1QFY26. Jeevansathi margin stood at +1.5% vs. -2.7%/+0.3% in 2QFY25/1QFY26.
- **Hiring trend uncertainties continue:** INFOE had already reported billings trends. Recruitment billings were up 10.8% YoY vs. 9.0% in 1Q, led by continued traction in GCC clients (+18% YoY), trends in non-tech/consultant/IT Services clients were relatively muted at 11%/9%/7%, respectively. While Naukri Gulf remained strong at 22% YoY, there was sequential moderation in iimjobs and Naukri FastForward. The management highlighted that while the broader hiring environment remains uncertain owing to a wide range of macro factors, GCCs, Tier-2/3 cities, and non-IT verticals continue to provide some comfort.
- **Focus on market share gains in 99acres:** 99acres billings grew 14.0% YoY in 2QFY26 vs. 16.5%/21.9% in 1QFY26/4QFY25, respectively. The company ramped up marketing spends during the quarter to drive market share gains, which led to PBT margin sequentially contracting by 642bps (-340bps YoY) to -20.3%. Going ahead, these spends are likely to continue as INFOE intends to prioritise growth over profitability, limiting any visibility on sustainable break-even.
- **Jeevansathi outlier once again:** Jeevansathi billings grew a robust 29.3% YoY in 2QFY26, led by improving monetisation of customers. It also reported a PBT of INR 5mn with margin improving to 1.5% from -2.5%/0.3% in 2QFY25/1QFY26. The business continues to deliver an enhanced platform experience to customers by leveraging AI and launching new features, leading to improvement in metrics such as profile acceptances and frequency of two-way chats.
- **Maintain 'ADD', Sep'26 TP revised to INR 1,450:** We cut standalone FY26-28E EPS by 3-4% as we expect slower margin expansion in Recruitment / 99acres. While we continue to value the stock basis SOTP valuation method, our revised Sep'26 TP stands at INR 1,450, in which the NTM PER for recruitment is maintained at 40x. While the standalone business valuations of 42x/37x FY27/28 PER are within our comfort zone given that historically INFOE has commanded much higher multiples, meaningful upside is contingent on some stability in macros.



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Recommendation and Price Target

Current Reco.	ADD
Previous Reco.	ADD
Current Price Target (12M)	1,450
Upside/(Downside)	5.3%
Previous Price Target	1,480
Change	-2.0%

Key Data – INFOE IN

Current Market Price	INR1,376
Market cap (bn)	INR892.5/US\$10.1
Free Float	57%
Shares in issue (mn)	648.4
Diluted share (mn)	655.5
3-mon avg daily val (mn)	INR1,771.1/US\$20.0
52-week range	1,839/1,151
Sensex/Nifty	84,467/25,876
INR/US\$	88.6

Price Performance

%	1M	6M	12M
Absolute	3.2	-6.7	-12.0
Relative*	0.8	-9.0	-18.0

* To the BSE Sensex

Financial Summary

(INR mn)

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	23,810	26,536	30,177	33,741	37,821
Sales Growth (%)	10.3	11.5	13.7	11.8	12.1
EBITDA	9,553	10,726	11,639	13,480	15,504
EBITDA Margin (%)	40.1	40.4	38.6	40.0	41.0
Adjusted Net Profit	8,331	7,734	10,405	11,998	13,756
Diluted EPS (INR)	12.9	11.9	15.9	18.3	21.0
Diluted EPS Growth (%)	102.3	-7.4	33.2	15.3	14.7
ROIC (%)	0.0	0.0	0.0	0.0	0.0
ROE (%)	4.6	2.9	2.7	2.4	2.7
P/E (x)	106.9	115.4	86.7	75.2	65.6
P/B (x)	3.5	3.2	1.8	1.8	1.8
EV/EBITDA (x)	89.2	78.8	72.1	61.8	53.2
Dividend Yield (%)	0.3	0.4	0.6	0.7	0.9

Source: Company data, JM Financial. Note: Valuations as of 12/Nov/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.

- **Artificial intelligence (AI) integration deepens across platforms:** The management reiterated that AI continues to be a core focus area, with ongoing initiatives aimed at enhancing search quality, user personalisation, productivity, and monetisation opportunities across platforms. In Naukri, the company has upgraded its database products using AI and machine learning, which has led to measurable gains in recruiter productivity and a 15–20% YoY improvement in job seeker engagement. New AI models are also being piloted, including AI-Rex, an AI-powered recruitment co-pilot currently in commercial beta with select customers. These models are designed to automate candidate shortlisting, outreach, and interview scheduling while improving matching accuracy. Beyond recruitment, Info Edge is leveraging generative and agentic AI tools for content creation, marketing campaign automation, pricing optimisation in Jeevansathi, and operational efficiency across functions such as coding and tele-calling. The management emphasised that while monetisation remains at an early stage, AI-driven improvements are already enhancing user experience and internal productivity, and are expected to contribute indirectly to higher renewals and better pricing over time.

Exhibit 1. INFOE: Valuation summary

Business	Per share value	% of valuation	Comments
Recruitment (Naukri)	679	46.8%	40x Sep'27 EPS
99acres	56	3.8%	6x Sep'27 Sales
Jeevansathi and others	28	1.9%	5x Sep'27 Sales
Investee Companies			
Zomato	446	30.8%	Based on CMP for Zomato post 25% holdco discount
Policybazaar	117	8.1%	Based on CMP for PB Fintech post 25% holdco discount
Zwayam/DoSelect	2	0.2%	Book value
Other investee companies^	38	2.7%	Book value
Cash and cash equivalents	80	5.5%	Cash on B/S as of Mar'26
Total	1,450	100%	

Source: JM Financial. ^ includes NoPaperForms, Univariety, Gramophone, Medcords, Printo, Shop Kirana, Greytip, Adda247, Teal, LQ Global, Bizcrum, Shipy, Coding Ninja, Juno Learning, Asile Networks, Crisp Analytics, Unbox robotics, Attentive AI, Brainsight Technology, Ray IOT, Skylark Drones, String Bio, Sploot Pvt. Ltd., Vyuti Systems Pvt. Ltd., Aarogyaai innovations Pvt Ltd., Ubifly technology, WSO2 INC, VLCC, Skyserve Inc. and venture fund contribution.

Exhibit 2. 2QFY26 financial performance: Actuals vs. JMFe/Cons.

INR mn	2Q26A	2Q25A	Change (YoY)	1Q26A	Change (QoQ)	Estimate (JMFe)	Variance (vs. JMFe)	Estimate (Cons.)	Variance (vs. Cons.)
Revenue (INR mn)	7,460	6,561	13.7%	7,364	1.3%	7,342	1.6%	7,515	-0.7%
EBITDA (INR mn)	2,954	2,744	7.7%	2,779	6.3%	2,971	-0.5%	2,972	-0.6%
EBITDA margin	39.6%	41.8%	-223bp	37.7%	186bp	40.5%	-86bp	39.5%	6bp
Operating PBT (INR mn)	2,675	2,512	6.5%	2,502	6.9%	2,690	-0.6%		
Operating PBT margin	35.9%	38.3%	-242bp	34.0%	188bp	36.6%	-79bp		
Adjusted PAT (INR mn)	2,646	2,375	11.4%	2,596	1.9%	2,749	-3.8%	2,683	-1.4%
Adjusted EPS (INR)	4.07	3.66	11.1%	4.00	1.8%	4.24	-3.9%	4.12	-1.2%

Source: Bloomberg, JM Financial

Exhibit 3. 2QFY26 segmental performance: Actuals vs. JMFe/Cons.

INR mn	2Q26A	2Q25A	Change (YoY)	2Q26A	Change (QoQ)	Estimate (JMFe)	Variance (vs. JMFe)	Estimate (Cons.)	Variance (vs. Cons.)
Naukri									
Revenue	5,582	4,949	12.8%	5,415	3.1%	5,532	0.9%	5,621	-0.7%
Operating PBT margin	55.8%	57.8%	-190bp	52.5%	334bp	56.8%	-90bp	56.6%	-74bp
99acres									
Revenue	1,151	1,020	12.8%	1,107	4.0%	1,138	1.1%	1,205	-4.5%
Operating PBT margin	-20.3%	-13.9%	-642bp	-16.9%	-340bp	-15.9%	-442bp	-6.6%	-1375bp
Others									
Revenue	727	592	22.9%	842	-13.6%	671	8.3%	722	0.6%
Operating PBT margin	-28.7%	-34.6%	595bp	7.6%	-3626bp	-39.9%	1124bp	0.0%	-2866bp

Source: Bloomberg, JM Financial

Exhibit 4. Quarterly billing trends

All numbers are in INR mn, unless stated otherwise	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26
Billing trends									
Recruitment	4,314	4,289	6,254	4,314	4,920	4,940	7,403	4,703	5,450
Change (yoy)	1.4%	-1.3%	7.2%	8.5%	14.0%	15.2%	18.4%	9.0%	10.8%
Change (qoq)	8.5%	-0.6%	45.8%	-31.0%	14.0%	0.4%	49.9%	-36.5%	15.9%
99Acres	922	884	1,311	810	1,074	1,026	1,598	944	1,224
Change (yoy)	21.8%	24.3%	26.4%	10.4%	16.5%	16.1%	21.9%	16.5%	14.0%
Change (qoq)	25.6%	-4.1%	48.3%	-38.2%	32.6%	-4.5%	55.8%	-40.9%	29.7%
Jeevansathi	197	203	258	254	259	276	319	347	335
Change (yoy)	16.6%	18.7%	25.9%	35.1%	31.5%	36.0%	23.6%	36.6%	29.3%
Change (qoq)	4.8%	3.0%	27.1%	-1.6%	2.0%	6.6%	15.6%	8.8%	-3.5%
Shiksha	257	393	447	415	249	441	518	448	281
Change (yoy)	3.6%	41.4%	9.3%	24.6%	-3.1%	12.2%	15.9%	8.0%	12.9%
Change (qoq)	-22.8%	52.9%	13.7%	-7.2%	-40.0%	77.1%	17.5%	-13.5%	-37.3%
Total billings	5,690	5,769	8,270	5,793	6,503	6,683	9,838	6,442	7,290
Change (yoy)	4.8%	4.8%	10.5%	10.8%	14.3%	15.8%	19.0%	11.2%	12.1%
Change (qoq)	8.8%	1.4%	43.4%	-30.0%	12.3%	2.8%	47.2%	-34.5%	13.2%

Source: Company, JM Financial

Exhibit 5. Yearly billing trends

All numbers are in INR mn, unless stated otherwise	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Billing trends								
Recruitment	7,080	8,476	9,155	8,320	14,365	18,587	18,832	21,577
Change (yoy)		19.7%	8.0%	-9.1%	72.7%	29.4%	1.3%	14.6%
99Acres	1,571	2,067	2,139	1,848	2,312	3,116	3,851	4,508
Change (yoy)		31.6%	3.5%	-13.6%	25.1%	34.8%	23.6%	17.1%
Jeevansathi	700	735	871	1,004	1,018	721	846	1,108
Change (yoy)		5.0%	18.5%	15.3%	1.4%	-29.2%	17.3%	31.0%
Shiksha	417	492	522	585	965	1,239	1,430	1,623
Change (yoy)		18.0%	6.1%	12.1%	64.9%	28.4%	15.4%	13.5%
Total billings	9,768	11,771	12,687	11,757	18,660	23,663	24,959	28,817
Change (yoy)		20.5%	7.8%	-7.3%	58.7%	26.8%	5.5%	15.5%

Source: Company, JM Financial

Exhibit 6. Key standalone financials

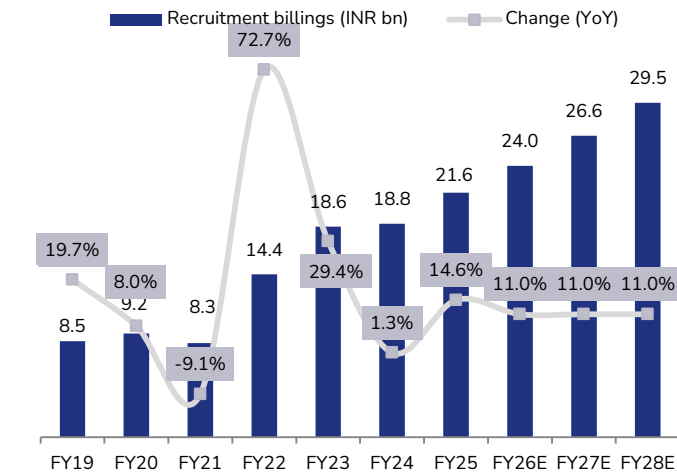
All numbers are in INR mn, unless stated otherwise	1QFY25	2QFY25	3QFY25	4QFY25	FY25	1QFY26	2QFY26	Comments
Revenue	6,389	6,561	6,715	6,871	26,536	7,364	7,460	
<i>Change (YoY)</i>	9.3%	10.6%	12.8%	13.0%	11.5%	15.3%	13.7%	
Total operating expense	3,895	3,817	3,818	4,281	15,811	4,585	4,506	
Operating profit (EBITDA)	2,495	2,744	2,897	2,589	10,726	2,779	2,954	
Operating margin (%)	39.0%	41.8%	43.1%	37.7%	40.4%	37.7%	39.6%	<ul style="list-style-type: none"> Standalone billings (which were already announced in pre-qtr update) grew 12.1% YoY to INR 7.3bn with Recruitment/99acres/Others (Jeevansathi and Shiksha) businesses growing 10.8%/14.0%/21.0% YoY, respectively.
Depreciation & amortization	175	186	217	224	801	226	226	
EBIT	2,319	2,558	2,680	2,366	9,924	2,553	2,728	
EBIT margin (%)	36.3%	39.0%	39.9%	34.4%	37.4%	34.7%	36.6%	<ul style="list-style-type: none"> EBITDA stood at INR 2.95bn, broadly in-line JMFe and Cons.
Interest expense	46	47	47	51	191	51	53	
Operating PBT	2,273	2,512	2,634	2,315	9,733	2,502	2,675	
Operating PBT Margin (%)	35.6%	38.3%	39.2%	33.7%	36.7%	34.0%	35.9%	<ul style="list-style-type: none"> EBITDA margin stood at 39.6%, -223bps YoY/ +186bps QoQ. Margin was in-line with Cons. but behind JMFe by 86bps. Margin miss on JMFe was primarily due to Recruitment and 99acres segments. Naukri/99acres PBT margin stood at 55.8%/-20.3% vs JMFe of 56.8%/-15.9%, respectively
Other income	770	803	781	784	3,138	960	820	
Exceptional items	0	-1,516	-593	76	-2,033	0	44,595	
Profit before tax	3,043	1,799	2,822	3,175	10,838	3,462	48,055	
Income tax expense	720	940	820	624	3,104	866	850	
Reported PAT	2,323	859	2,002	2,551	7,734	2,596	47,205	<ul style="list-style-type: none"> Operating PBT stood at INR 2.68bn - in-line JMFe
<i>Change (YoY)</i>	16.2%	-58.9%	-6.2%	20.9%	-7.2%	11.8%	5396.9%	
Adjusted PAT (ex-exceptional items)	2,323	2,375	2,595	2,474	9,767	2,596	2,646	<ul style="list-style-type: none"> Adj. PAT stood at INR 2.65bn (+11.4% YoY) vs INR 2.75bn/INR 2.68bn JMFe/Cons. Estimates
<i>Change (YoY)</i>	16.2%	11.1%	21.5%	10.9%	14.9%	11.8%	11.4%	
Adjusted diluted EPS (INR)	3.6	3.7	4.0	3.8	15.1	4.0	4.07	
<i>Change (YoY)</i>	16.0%	10.9%	21.0%	10.7%	14.6%	11.7%	11.1%	

Source: Company, JM Financial

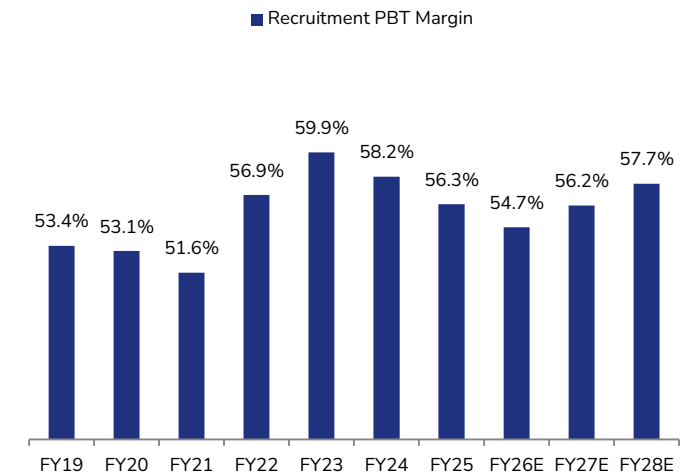
Exhibit 7. Segmental performance

All numbers are in INR mn, unless stated otherwise	2Q25	3Q25	4Q25	1Q26	2Q26	Comments
Recruitment vertical						
Revenues	4,949	5,049	5,112	5,415	5,582	
<i>Change (YoY)</i>	8.5%	12.1%	13.0%	14.8%	12.8%	
Operating PBT	2,858	2,976	2,784	2,843	3,117	
<i>Operating PBT margin (%)</i>	57.8%	58.9%	54.5%	52.5%	55.8%	<ul style="list-style-type: none"> Revenue in recruitment business grew by 12.8% YoY (+3.1% QoQ).
99acres						
Revenue	1,020	1,042	1,058	1,107	1,151	
<i>Change (YoY)</i>	16.9%	17.4%	14.3%	12.0%	12.8%	<ul style="list-style-type: none"> Deferred sales in recruitment business were up 14.8% YoY (-0.3% QoQ).
Operating PBT	-142	-48	-149	-187	-234	
<i>Operating PBT margin (%)</i>	-13.9%	-4.6%	-14.0%	-16.9%	-20.3%	
Jeevansathi						
Revenue	262	271	303	337	339	<ul style="list-style-type: none"> 99acres reported 12.8% YoY revenue growth while deferred sales grew 30.4% YoY.
<i>Change (YoY)</i>	33.0%	23.2%	25.2%	28.6%	29.4%	
Operating PBT	-7	-67	-23	1	5	
<i>Operating PBT margin (%)</i>	-2.7%	-24.7%	-7.6%	0.3%	1.5%	<ul style="list-style-type: none"> Jeevansathi reported 29.4% YoY revenue growth while Shiksha sales grew 17.8 YoY.
Shiksha						
Revenue	330	353	397	505	388	
<i>Change (YoY)</i>	9.9%	3.6%	1.4%	19.0%	17.8%	
Operating PBT	-33	-11	-5	63	19	
<i>Operating PBT margin (%)</i>	-10.0%	-3.1%	-1.3%	-12.5%	4.8%	

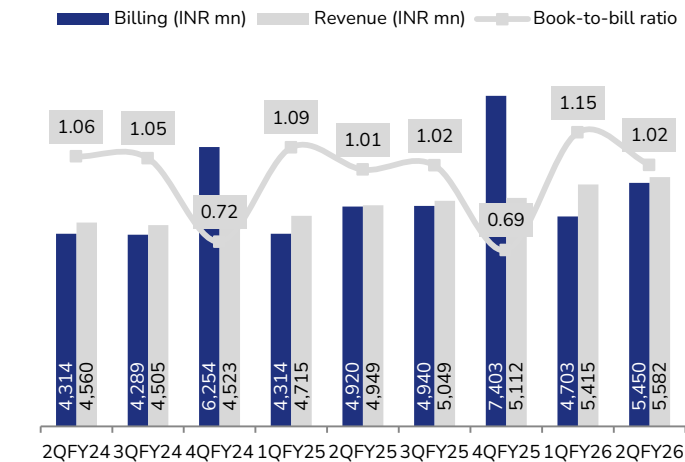
Source: Company, JM Financial

Exhibit 8. Recruitment: Billing growth trend

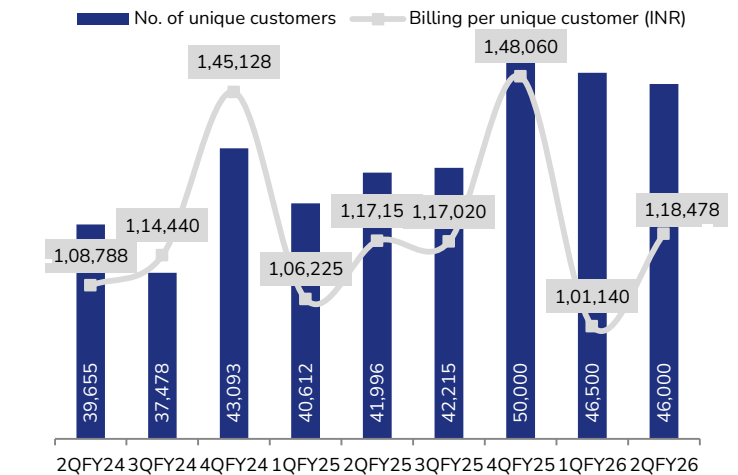
Source: Company, JM Financial, numbers are restated for acquisition of IIMJobs from 1QFY21

Exhibit 9. Recruitment PBT margin trend

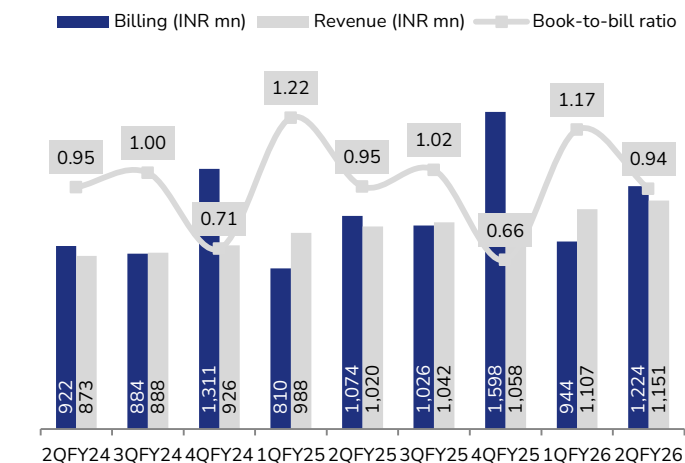
Source: Company, JM Financial, numbers are restated for acquisition of IIMJobs from 1QFY21

Exhibit 10. Recruitment billings improved 10.8% YoY in 2QFY26 while book to bill ratio reduced to 1.02 from 1.15 in 1QFY26

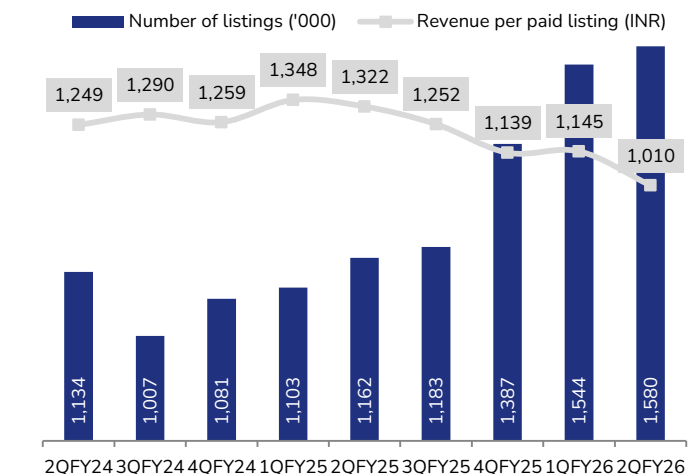
Source: Company, JM Financial, numbers are restated for acquisition of IIMJobs from 1QFY21

Exhibit 11. Recruitment avg. billings per unique customer grew 1.1% YoY (+17.1% QoQ)

Source: Company, JM Financial, numbers are restated for acquisition of IIMJobs from 1QFY21

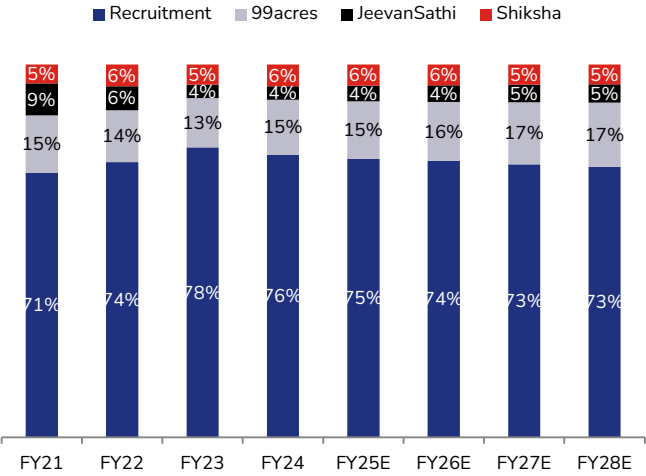
Exhibit 12. 99acres - billings grew 14.0% YoY while book to bill ratio was 0.94 against 1.17 in 1QFY26

Source: Company, JM Financial

Exhibit 13. 99acres - Average realisation per listing declined by 23.6% YoY (-11.8% QoQ)

Source: Company, JM Financial

Exhibit 14. Standalone revenue mix



Source: Company, JM Financial

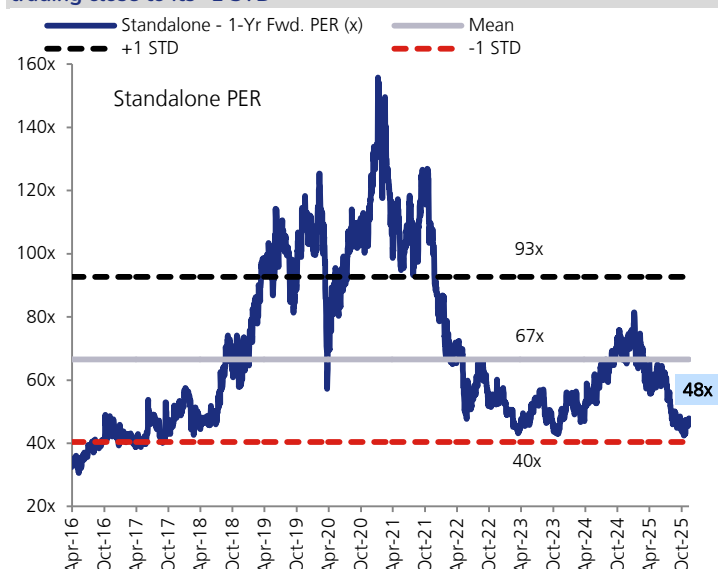
Maintain ADD; target price reduced to INR 1,450

Exhibit 15. What has changed in our forecasting and assumptions?

	Old			New			Change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Standalone revenue (INR mn)	30,166	34,537	39,505	30,177	33,741	37,821	0.0%	0.0%	0.0%
Revenue growth rate (YoY)	13.7%	14.5%	14.4%	13.7%	11.8%	12.1%	0 bps	0 bps	0 bps
EBITDA (INR mn)	12,312	14,533	17,122	11,639	13,480	15,504	-3.7%	-3.7%	-4.8%
EBITDA margin	40.8%	42.1%	43.3%	38.6%	40.0%	41.0%	-147 bps	-153 bps	-204 bps
Adj. PAT (INR mn)	10,909	12,795	15,016	10,405	11,998	13,756	-3.1%	-3.3%	-4.3%
Adj. EPS (Diluted)	16.6	19.5	22.9	15.9	18.3	21.0	-3.1%	-3.3%	-4.3%

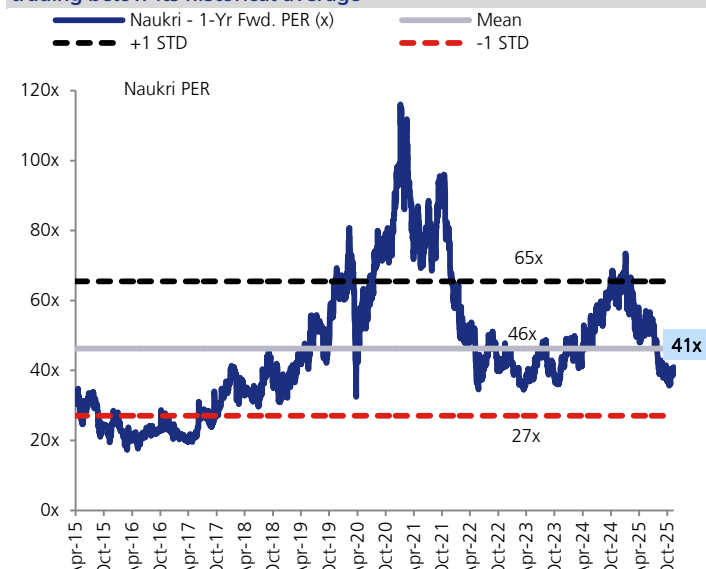
Source: Company, JM Financial

Exhibit 16. INFOE standalone business 1-Yr Fwd PER is presently trading close to its -1 STD



Source: Bloomberg, JM Financial Note: 1: Standalone business valuations are derived by excluding the implicit value of Zomato and PolicyBazaar from the stock price (using their latest known valuations). Note 2: The contribution of investee companies (ex- Zomato and PolicyBazaar) to our current SOTP-based fair value is negligible. For simplicity purposes, we therefore assume zero value for them while deriving the standalone business valuations.

Exhibit 17. Recruitment (Naukri) business 1-Yr Fwd PER is presently trading below its historical average



Source: Bloomberg, JM Financial Note: 1: Naukri business valuations are derived by excluding the implicit value post 25% holding company discount for Zomato and PolicyBazaar from the stock price using their latest known valuations, balance sheet cash and 8% value accrued to 99acres/Jeevanathi/Shiksha. Note 2: The contribution of investee companies (ex-Zomato and PolicyBazaar) to our current SOTP-based fair value is negligible. For simplicity purposes, we therefore assume zero value for them while deriving the Naukri business valuations.

Key Risks

- **Key upside risks to our price target are:** (1) better-than-expected revenue growth in Naukri on the back of technology investments; (2) higher-than-expected valuations of investee companies; (3) any accretive acquisition not currently priced in.
- **Key downside risks are:** (1) guided step-up in ad-spend in different businesses affecting margins; (2) risk to naukri.com from lower hiring in some sectors, especially IT; (3) investments in start-ups not giving expected returns, leading to stake sale at a discount or outright write-offs.

Financial Tables (Standalone)

Income Statement (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	23,810	26,536	30,177	33,741	37,821
Sales Growth	10.3%	11.5%	13.7%	11.8%	12.1%
Other Operating Income	0	0	0	0	0
Total Revenue	23,810	26,536	30,177	33,741	37,821
Cost of Goods Sold/Op. Exp	9,821	10,815	12,231	13,614	15,017
Personnel Cost	0	0	0	0	0
Other Expenses	4,436	4,996	6,307	6,647	7,299
EBITDA	9,553	10,726	11,639	13,480	15,504
EBITDA Margin	40.1%	40.4%	38.6%	40.0%	41.0%
EBITDA Growth	21.8%	12.3%	8.5%	15.8%	15.0%
Depn. & Amort.	677	801	966	1,080	1,210
EBIT	8,875	9,924	10,673	12,401	14,294
Other Income	2,257	914	3,237	3,639	4,096
Finance Cost	0	0	0	0	0
PBT before Excep. & Forex	11,132	10,838	13,910	16,040	18,390
Excep. & Forex Inc./Loss(-)	0	0	44,559	0	0
PBT	11,132	10,838	58,470	16,040	18,390
Taxes	2,802	3,104	3,505	4,042	4,634
Extraordinary Inc./Loss(-)	0	0	0	0	0
Assoc. Profit/Min. Int.(-)	0	0	0	0	0
Reported Net Profit	8,331	7,734	54,964	11,998	13,756
Adjusted Net Profit	8,331	7,734	10,405	11,998	13,756
Net Margin	35.0%	29.1%	34.5%	35.6%	36.4%
Diluted Share Cap. (mn)	647.4	648.8	655.5	655.5	655.5
Diluted EPS (INR)	12.9	11.9	15.9	18.3	21.0
Diluted EPS Growth	102.3%	-7.4%	33.2%	15.3%	14.7%
Total Dividend + Tax	3,429	4,686	6,311	7,889	9,467
Dividend Per Share (INR)	4.4	6.0	8.0	10.0	12.0

Source: Company, JM Financial

Cash Flow Statement (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	11,304	12,871	58,470	16,040	18,390
Depn. & Amort.	677	801	966	1,080	1,210
Net Interest Exp. / Inc. (-)	-1,876	-2,301	219	241	265
Inc (-) / Dec in WCap.	1,380	2,137	1,155	1,853	2,122
Others	-2,540	-3,107	-3,422	-3,842	-4,318
Taxes Paid	-3,023	-3,332	-4,206	-4,850	-5,561
Operating Cash Flow	5,922	7,070	53,181	10,522	12,108
Capex	-257	-804	-1,528	-1,876	-1,793
Free Cash Flow	5,665	6,266	51,653	8,646	10,315
Inc (-) / Dec in Investments	1,548	-3,614	0	0	0
Others	-6,441	-2,294	0	0	0
Investing Cash Flow	-5,151	-6,712	-1,528	-1,876	-1,793
Inc / Dec (-) in Capital	1	3	0	0	0
Dividend + Tax thereon	-2,452	-3,102	0	0	0
Inc / Dec (-) in Loans	4	-13	0	0	0
Others	-163	-191	0	0	0
Financing Cash Flow	-2,610	-3,302	0	0	0
Inc / Dec (-) in Cash	-1,838	-2,945	51,653	8,646	10,315
Opening Cash Balance	41,472	49,652	784	50,292	56,051
Closing Cash Balance	39,633	46,708	52,437	58,937	66,366

Source: Company, JM Financial

Balance Sheet (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders' Fund	2,54,763	2,77,013	4,99,814	5,05,257	5,11,147
Share Capital	1,291	1,294	1,294	1,294	1,294
Reserves & Surplus	2,53,472	2,75,719	4,98,520	5,03,963	5,09,853
Preference Share Capital	0	0	0	0	0
Minority Interest	0	0	0	0	0
Total Loans	13	4	4	4	4
Def. Tax Liab. / Assets (-)	0	0	0	0	0
Total - Equity & Liab.	2,54,776	2,77,017	4,99,818	5,05,261	5,11,151
Net Fixed Assets	3,003	3,461	4,024	4,820	5,403
Gross Fixed Assets	5,659	6,842	8,370	10,246	12,040
Intangible Assets	0	0	0	0	0
Less: Depn. & Amort.	2,657	3,381	4,347	5,426	6,637
Capital WIP	0	0	0	0	0
Investments	2,48,917	2,76,139	5,22,642	5,22,642	5,22,642
Current Assets	17,107	14,038	-8,947	-2,341	5,211
Inventories	0	0	0	0	0
Sundry Debtors	71	131	149	166	187
Cash & Bank Balances	39,633	46,708	52,437	58,937	66,366
Loans & Advances	0	0	0	0	0
Other Current Assets	-22,597	-32,800	-61,533	-61,444	-61,342
Current Liab. & Prov.	14,251	16,621	17,900	19,860	22,104
Current Liabilities	0	0	0	0	0
Provisions & Others	14,251	16,621	17,900	19,860	22,104
Net Current Assets	2,856	-2,583	-26,847	-22,201	-16,894
Total - Assets	2,54,776	2,77,017	4,99,818	5,05,261	5,11,151

Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	35.0%	29.1%	34.5%	35.6%	36.4%
Asset Turnover (x)	0.1	0.1	0.1	0.1	0.1
Leverage Factor (x)	1.0	1.0	1.0	1.0	1.0
RoE	4.6%	2.9%	2.7%	2.4%	2.7%

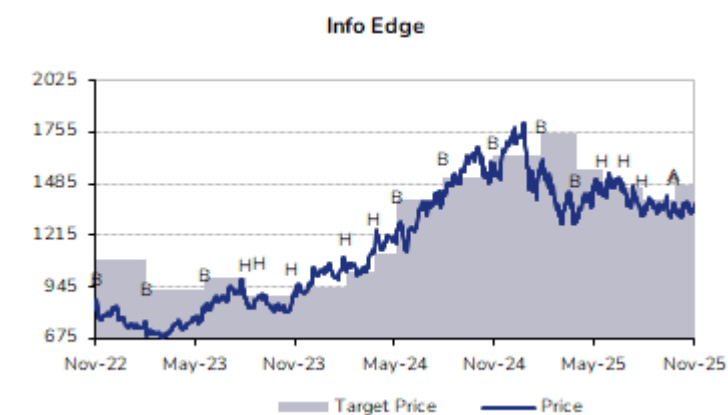
Key Ratios					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	393.5	426.9	762.5	770.8	779.8
ROIC	0.0%	0.0%	0.0%	0.0%	0.0%
ROE	4.6%	2.9%	2.7%	2.4%	2.7%
Net Debt/Equity (x)	-0.2	-0.2	-0.1	-0.1	-0.1
P/E (x)	106.9	115.4	86.7	75.2	65.6
P/B (x)	3.5	3.2	1.8	1.8	1.8
EV/EBITDA (x)	89.2	78.8	72.1	61.8	53.2
EV/Sales (x)	35.8	31.8	27.8	24.7	21.8
Debtor days	1	2	2	2	2
Inventory days	0	0	0	0	0
Creditor days	0	0	0	0	0

Source: Company, JM Financial

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
31-May-22	Buy	1,080	
13-Aug-22	Buy	1,084	0.4
12-Nov-22	Buy	1,090	0.6
11-Feb-23	Buy	930	-14.7
28-May-23	Buy	990	6.5
13-Aug-23	Hold	900	-9.1
11-Sep-23	Hold	900	0.0
7-Nov-23	Hold	940	4.4
14-Feb-24	Hold	1,020	8.5
7-Apr-24	Hold	1,120	9.8
17-May-24	Buy	1,400	25.0
10-Aug-24	Buy	1,516	8.3
9-Nov-24	Buy	1,630	7.5
6-Feb-25	Buy	1,750	7.4
8-Apr-25	Buy	1,560	-10.9
28-May-25	Hold	1,500	-3.8
7-Jul-25	Hold	1,470	-2.0
9-Aug-25	Hold	1,400	-4.8
8-Oct-25	Add	1,480	5.7
9-Oct-25	Add	1,480	0.0

Recommendation History



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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