

# Swiggy

## Quick commerce burn deepens

Swiggy's food delivery trumped our margin expectations; alas widening Instamart losses pulled it back. Overall, B2C GoV grew ~38/7.6% YoY/QoQ respectively. In FD, MTU addition/GOV growth was largely in line with expectations (up 19% YoY), with stable take rates. Quick commerce (QC) execution fell short of expectations (lagged Blinkit too) in Q3. QC GOV and MTU grew 15.5/13.4% QoQ to INR39bn/7mn respectively (vs Blinkit's 27/19% QoQ) as rising competition kept customer incentives, acquisition costs and dark store network investments elevated. Still early days, but execution variance is widening between the two platforms in QC. Note: For both platforms despite stable GOV density QoQ, Instamart's incremental QC burn was higher than that of Blinkit's. We've increased our estimates of QC losses for Swiggy. Overall adj. EBITDA losses stand revised at -INR15.8/-INR12.3bn (earlier: -INR14.4/-INR10.3bn) for FY26/27 respectively. We maintain our REDUCE rating on the stock with an SOTP-based TP of INR455/sh (implying ~4x FY27 EV/sales).

- **Food delivery trumps margin expectations:** Swiggy's FD GOV grew 3.4% QoQ (19.2% YoY) to INR 74.4bn (Note: Zomato's GOV grew 2.3% QoQ), led by innovations like Bolt and improved execution driving user additions. MTU grew 1.4% QoQ (up 19.2%) to 14.9mn. Order growth stood at 1.5% QoQ. Take-rates were largely stable at 25%. Adj. revenue grew 2.9% QoQ (up 21.3% YoY) to INR18.6bn (in-line). Efficiencies across delivery costs and discounts (variable costs) led to increase in contribution margin by 80bps QoQ to 7.4%. Adj. EBITDAM for FD expanded 90bps QoQ to 2.5% as CM gains trickled down coupled with better fixed cost absorption (HSIE: 1.8%). Adj. EBITDA increased 62% QoQ to INR 1.86bn (HSIE: INR 1.31bn).
- **Instamart (QC) pulls it back; execution lags Blinkit:** Instamart's GOV grew 15.5% QoQ (+88% YoY) to INR 39.07bn (HSIE: INR 40bn). Growth was largely driven by AOV growth of 7% QoQ to INR 534 (HSIE: INR 511). Order growth stood at 7.4% QoQ (MTU growth: 13.4%). Despite the GOV growth, profitability was impacted, with the contribution margin contracting by 266bps QoQ to -4.6% (-1.9% in Q2FY25; HSIE: -2.9%), largely as rising competition warranted (1) higher platform-funded discounts and (2) a step up in dark store expansion and customer acquisition investments. Adj. EBITDAM contracted 419bps QoQ to -14.8% (of GoV; HSIE: 11.7%). Consequently, EBITDA losses widened QoQ to INR5.8bn (INR3.6bn in Q2; HSIE: INR4.7bn). Order density declined due to expansion of dark stores (1,129 orders per day/store in Q3 vs 1,210 in Q2). Instamart added 96 dark stores in Q3 (store count: 705). Management has maintained its store expansion guidance of doubling its dark store area by the end of FY25. Adj. revenue grew 17.6% QoQ (higher than GoV growth) as take rates improved 27bps QoQ to 15.4% (HSIE: 15.3%). There are initial signs that execution gap is widening between the two QC platforms. Instamart continues to lag Blinkit in both growth and incremental unit economics. Blinkit reported -1.3% adj. EBITDAM in Q3.
- **Valuation and outlook:** While food delivery business remains stable; there are early signs that the execution variance in quick commerce is widening. We maintain our REDUCE rating on Swiggy with an SOTP-based TP of INR455/sh (implying ~4x FY27 EV/sales).

## REDUCE

CMP (as on 05 Feb 2025)	INR 418
Target Price	INR 455
NIFTY	23,696

KEY CHANGES	OLD	NEW
Rating	REDUCE	REDUCE
Price Target	INR 455	INR 455
EBITDA %	FY26E NM	FY27E NM

\*Pre-IND AS 116 EBITDA

### KEY STOCK DATA

Bloomberg code	SWIGGY IN
No. of Shares (mn)	2,238
MCap (INR bn) / (\$ mn)	935/10,699
6m avg traded value (INR mn)	-
52 Week high / low	INR 617/389

### SHAREHOLDING PATTERN (%)

	Dec-24
Promoters	0
FIs & Local MFs	7.75
FPIs	6.18
Public & Others	86.07
Pledged Shares	0

Source : BSE

Pledged shares as % of total shares

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## Financial Summary

(Rs mn)	3Q FY25	3Q FY24	YoY (%)	2Q FY25	QoQ (%)	FY22	FY23	FY24	FY25E	FY26E	FY27E
Net Revenue	39,931	30,487	31.0	36,015	10.9	57,049	82,646	1,12,474	1,46,961	1,90,698	2,43,876
EBITDA	(7,257)	(5,254)	38.1	(5,542)	30.9	(36,511)	(42,758)	(22,080)	(24,152)	(18,665)	(10,895)
APAT	(7,991)	(5,744)	39.1	(6,255)	27.7	(36,289)	(41,793)	(23,502)	(25,415)	(19,961)	(13,888)
EPS (Rs)	(3.5)	(2.6)	33.3	(2.8)	24.3	(18.6)	(19.3)	(10.7)	(11.4)	(8.9)	(6.2)
P/E (x)						(22.5)	(21.7)	(39.1)	(36.9)	(46.9)	(67.5)
EV/EBITDA (x)						(22.9)	(20.6)	(40.4)	(35.7)	(46.8)	(80.9)
Core RoCE(%)						(242)	(138)	(65)	(68)	(52)	(36)

## Estimate changes:

(INR mn)	FY25E			FY26E			FY27E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	1,46,961	1,46,831	0.1	1,90,698	1,91,748	(0.5)	2,43,876	2,46,408	(1.0)
Adj. EBITDA	(16,099)	(15,422)	NM	(15,841)	(14,412)	NM	(12,342)	(10,346)	NM
Adj. EBITDAM (%)	(11.0)	(10.5)	-45 bps	(8.3)	(7.5)	-79 bps	(5.1)	(4.2)	-86 bps
Pre-IND AS EBITDA	(27,569)	(26,892)	NM	(23,801)	(22,372)	NM	(17,742)	(15,746)	NM
Pre-IND AS EBITDA margin (%)	(18.8)	(18.3)	-44 bps	(12.5)	(11.7)	-81 bps	(7.3)	(6.4)	-89 bps
APAT	(25,415)	(24,788)	NM	(19,961)	(18,565)	NM	(13,888)	(11,920)	NM
APAT margin (%)	(17.3)	(16.9)	-41 bps	(10.5)	(9.7)	-79 bps	(5.7)	(4.8)	-86 bps
EPS (Rs)	(11.4)	(11.1)	NM	(8.9)	(8.3)	NM	(6.2)	(5.3)	NM

Source: Company, HSIE Research

### Quarterly Snapshot

	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
<b>GoV (B2C)</b>	<b>82,772</b>	<b>87,030</b>	<b>88,040</b>	<b>91,850</b>	<b>1,01,896</b>	<b>1,13,070</b>	<b>1,21,640</b>
Food Delivery	59,587	62,750	62,380	62,460	68,083	71,910	74,360
Quick Commerce	17,415	19,270	20,770	23,230	27,240	33,820	39,070
OOH Consumption	5,769	5,010	4,890	6,160	6,572	7,340	8,210
<b>Growth - YoY (%)</b>							
Food Delivery					14	15	19
Quick Commerce					56	76	88
OOH Consumption					14	47	68
<b>Gross Revenue</b>	<b>26,938</b>	<b>30,600</b>	<b>32,980</b>	<b>32,680</b>	<b>34,773</b>	<b>38,730</b>	<b>42,640</b>
Food Delivery	14,545	15,350	15,330	15,590	17,296	18,080	18,600
Quick Commerce	2,123	2,400	2,930	3,430	4,034	5,130	6,030
OOH Consumption	311	350	360	540	467	600	680
Supply chain & distribution	9,476	11,900	13,770	12,650	12,683	14,530	16,930
Platform innovation	483	600	590	470	293	390	400
<b>B2C Take rate (%)</b>	<b>20.5</b>	<b>20.8</b>	<b>21.1</b>	<b>21.3</b>	<b>21.4</b>	<b>21.1</b>	<b>20.8</b>
Food Delivery	24.4	24.5	24.6	25.0	25.4	25.1	25.0
Quick Commerce	12.2	12.5	14.1	14.8	14.8	15.2	15.4
OOH Consumption	5.4	7.0	7.4	8.8	7.1	8.2	8.3
<b>Gross Revenue mix (%)</b>							
Food Delivery	54	50	46	48	50	47	44
Quick Commerce	8	8	9	10	12	13	14
OOH Consumption	1	1	1	2	1	2	2
Supply chain & distribution	35	39	42	39	36	38	40
Platform innovation	2	2	2	1	1	1	1
<b>Adjusted EBITDA</b>	<b>(4,869)</b>	<b>(4,890)</b>	<b>(4,994)</b>	<b>(3,608)</b>	<b>(3,478)</b>	<b>(3,412)</b>	<b>(4,890)</b>
Food Delivery	(432)	(531)	162	330	578	1,123	1,859
Quick Commerce	(3,121)	(3,490)	(3,420)	(3,066)	(3,179)	(3,588)	(5,782)
OOH Consumption	(490)	(444)	(464)	(338)	(132)	(93)	(82)
Supply chain & distribution	(427)	(129)	(953)	(358)	(579)	(741)	(779)
Platform innovation	(399)	(297)	(318)	(176)	(167)	(113)	(106)
<b>Adjusted EBITDAM (%)</b>					(3,478)	(3,412)	
Food Delivery	(0.7)	(0.8)	0.3	0.5	0.8	1.6	2.5
Quick Commerce	(17.9)	(18.1)	(16.5)	(13.2)	(11.7)	(10.6)	(14.8)
OOH Consumption	(8.5)	(8.9)	(9.5)	(5.5)	(2.0)	(1.3)	(1.0)
Supply chain & distribution	(4.5)	(1.1)	(6.9)	(2.8)	(4.6)	(5.1)	(4.6)
Platform innovation	(82.6)	(49.4)	(53.9)	(37.4)	(56.9)	(29.1)	(26.5)

Source: Company, HSIE Research

### Key performance indicators

KPIs	3QFY24	2QFY25	3QFY25	YoY (%)	QoQ (%)	3QFY25E	Variance (%)
<b>Food Delivery</b>							
Avg. MTUs	12.5	14.7	14.9	19.2	1.4	15.0	(0.6)
GoV (INR)	62,380	71,910	74,360	19.2	3.4	74,282	0.1
Gross revenue	15,330	18,080	18,600	21.3	2.9	18,676	(0.4)
Take rate (% of GoV)	24.6	25.1	25.0	<b>44 bps</b>	<b>-13 bps</b>	25.1	-13 bps
Contribution profit	3,680	4,746	5,503	49.5	15.9	4,977	10.6
CM (%)	5.9	6.6	7.4	25.4	12.1	6.7	70 bps
Adjusted EBITDA	162	1,151	1,859	1,049.2	61.6	1,309	42.0
Adj EBITDAM (As % of GoV)	0.3	1.6	2.5	<b>224 bps</b>	<b>90 bps</b>	1.8	74 bps
<b>Quick Commerce</b>							
		5.00	4.90			4.937130553	
Avg. MTUs	4.3	6.2	7.0	62.8	13.4	7.1	(1.4)
Ordering frequency/month	3.4	3.7	3.5	1.9	(5.3)	3.7	(5.3)
Orders (mn)	44.0	68.0	73.0	65.9	7.4	78	(6.6)
AoV (INR)	469	499	534	13.9	7.0	511	4.4
GoV (INR)	20,770	33,819	39,070	88.1	15.5	39,983	(2.3)
Gross revenue	2,930	5,127	6,030	105.8	17.6	6,113	(1.4)
Take rate (% of GoV)	14.1	15.2	15.4	<b>133 bps</b>	<b>27 bps</b>	15.3	14 bps
Contribution profit	(1,420)	(657)	(1,797)	26.6	173.6	(1,164)	54.5
Contribution margin (%)	(6.8)	(1.9)	(4.6)	<b>224 bps</b>	<b>-266 bps</b>	(2.9)	-169 bps
Adjusted EBITDA	(3,420)	(3,588)	(5,782)	69.1	61.1	(4,681)	23.5
Adj EBITDAM (As % of GoV)	(16.5)	(10.6)	(14.8)	<b>167 bps</b>	<b>-419 bps</b>	(11.7)	-309 bps
<b>OOH Consumption</b>							
		8.7	10.2			8.8	
GoV	4,890	7,335	8,210	67.9	11.9	7,922	3.6
Gross Revenue	362	600	680	87.8	13.3	648	4.9
Take rate (%)	7.4	8.2	8.3	<b>88 bps</b>	<b>10 bps</b>	8.2	10 bps
Contribution profit	35	277	328	833.0	18.6	323	1.7
Contribution margin (%)	0.7	3.8	4.0	<b>328 bps</b>	<b>23 bps</b>	4.1	-7 bps
Adjusted EBITDA	(464)	(93)	(82)	(82.3)	(11.4)	(61)	33.5
Adj EBITDAM (As % of GoV)	(9.5)	(1.3)	(1.0)	<b>850 bps</b>	<b>26 bps</b>	(0.8)	-22 bps
<b>Supply chain &amp; distribution</b>							
Revenue (INR mn)	13,768	14,526	16,930	23.0	16.6	16,704	1.4
Adjusted EBITDA	(953)	(741)	(779)	(18.3)	5.1	(585)	33.2
Adj EBITDAM (As % of GoV)	(6.9)	(5.1)	(4.6)	<b>232 bps</b>	<b>50 bps</b>	(3.5)	-110 bps
<b>Platform Innovations</b>							
Gross Revenue (INR mn)	591	394	400	(32.3)	1.5	433	(7.7)
Adjusted EBITDA	(318)	(113)	(106)	(66.7)	(6.4)	(89)	19.0
Adj EBITDAM (As % of GoV)	(53.8)	(28.8)	(26.5)	<b>2731 bps</b>	<b>226 bps</b>	(20.6)	-594 bps

## Income statement

Year End (March)	FY22	FY23	FY24	FY25	FY26	FY27
<b>Net Revenues</b>	<b>57,049</b>	<b>82,646</b>	<b>1,12,474</b>	<b>1,46,961</b>	<b>1,90,698</b>	<b>2,43,876</b>
Growth (%)	124.0	44.9	36.1	30.7	29.8	27.9
Material Expenses	22,680	33,809	46,042	55,711	66,640	78,425
Employee Expense	17,085	21,298	20,122	24,921	22,084	20,230
A&P Expense	20,051	25,012	18,508	22,713	28,520	35,253
Delivery Expenses	20,688	28,349	33,511	46,293	59,116	74,382
Other Expenses	13,056	16,936	16,372	21,475	33,003	46,481
<b>EBITDA</b>	<b>(36,511)</b>	<b>(42,758)</b>	<b>(22,080)</b>	<b>(24,152)</b>	<b>(18,665)</b>	<b>(10,895)</b>
EBITDA Growth (%)	181.1	17.1	(48.4)	9.4	(22.7)	(41.6)
EBITDA Margin (%)	(64.0)	(51.7)	(19.6)	(16.4)	(9.8)	(4.5)
<b>Adjusted EBITDA</b>	<b>(32,337.6)</b>	<b>(39,103.4)</b>	<b>(18,355.7)</b>	<b>(16,098.6)</b>	<b>(15,840.7)</b>	<b>(12,342.4)</b>
<b>Adjusted EBITDAM (% of GoV)</b>	<b>(16.1)</b>	<b>(14.1)</b>	<b>(5.2)</b>	<b>(3.5)</b>	<b>(2.5)</b>	<b>(1.4)</b>
<b>Pre-IND AS 116 EBITDA</b>	<b>(37,471.8)</b>	<b>(44,442.9)</b>	<b>(24,318.3)</b>	<b>(27,568.6)</b>	<b>(23,800.7)</b>	<b>(17,742.4)</b>
<b>Pre-IND AS 116 EBITDAM (%)</b>	<b>(65.7)</b>	<b>(53.8)</b>	<b>(21.6)</b>	<b>(18.8)</b>	<b>(12.5)</b>	<b>(7.3)</b>
Depreciation	1,701	2,858	4,206	5,752	7,452	8,954
<b>EBIT</b>	<b>(38,212)</b>	<b>(45,616)</b>	<b>(26,286)</b>	<b>(29,903)</b>	<b>(26,117)</b>	<b>(19,849)</b>
Other Income (Including EO Items)	4,149	4,499	3,870	5,603	7,440	7,463
Interest	484	582	714	885	1,254	1,472
<b>PBT (before exceptional items)</b>	<b>(34,547)</b>	<b>(41,699)</b>	<b>(23,130)</b>	<b>(25,185)</b>	<b>(19,931)</b>	<b>(13,858)</b>
Total Tax	-	-	-	-	-	-
<b>PAT before share of associate earnings</b>	<b>(34,547)</b>	<b>(41,699)</b>	<b>(23,130)</b>	<b>(25,185)</b>	<b>(19,931)</b>	<b>(13,858)</b>
Share of associate earnings	(10)	(1)	(66)	(30)	(30)	(30)
<b>RPAT</b>	<b>(34,557)</b>	<b>(41,700)</b>	<b>(23,196)</b>	<b>(25,215)</b>	<b>(19,961)</b>	<b>(13,888)</b>
Exceptional Gain/(loss)	(1,732)	(93)	(306)	(200)	-	-
<b>Adjusted PAT</b>	<b>(36,289)</b>	<b>(41,793)</b>	<b>(23,502)</b>	<b>(25,415)</b>	<b>(19,961)</b>	<b>(13,888)</b>
<b>APAT Growth (%)</b>	<b>124.4</b>	<b>15.2</b>	<b>(43.8)</b>	<b>8.1</b>	<b>(21.5)</b>	<b>(30.4)</b>
<b>Adjusted EPS (Rs)</b>	<b>(18.6)</b>	<b>(19.3)</b>	<b>(10.7)</b>	<b>(11.4)</b>	<b>(8.9)</b>	<b>(6.2)</b>
<b>EPS Growth (%)</b>	<b>(100.0)</b>	<b>3.7</b>	<b>(44.6)</b>	<b>6.1</b>	<b>(21.5)</b>	<b>(30.4)</b>

Source: Company, HSIE Research

## Balance sheet

Year End (March)	FY22	FY23	FY24	FY25	FY26	FY27
<b>SOURCES OF FUNDS</b>						
Share Capital - Equity	1,55,634	1,55,652	1,55,763	1,55,878	1,55,878	1,55,878
Reserves	(32,965)	(65,086)	(77,848)	(46,918)	(58,919)	(67,408)
<b>Total Shareholders Funds</b>	<b>1,22,669</b>	<b>90,566</b>	<b>77,915</b>	<b>1,08,960</b>	<b>96,959</b>	<b>88,470</b>
Long Term Debt	-	-	960	960	960	960
Short Term Debt	-	-	1,152	1,152	1,152	1,152
<b>Total Debt</b>	<b>-</b>	<b>-</b>	<b>2,112</b>	<b>2,112</b>	<b>2,112</b>	<b>2,112</b>
<b>Lease Liabilities</b>	<b>5,082</b>	<b>5,996</b>	<b>6,530</b>	<b>12,461</b>	<b>18,729</b>	<b>24,971</b>
<b>Other Non-current Liabilities &amp; Provns</b>	<b>186</b>	<b>374</b>	<b>290</b>	<b>290</b>	<b>290</b>	<b>290</b>
<b>TOTAL SOURCES OF FUNDS</b>	<b>1,27,937</b>	<b>96,936</b>	<b>86,847</b>	<b>1,23,822</b>	<b>1,18,089</b>	<b>1,15,844</b>
<b>APPLICATION OF FUNDS</b>						
Net Block	3,116	3,137	4,528	5,436	5,263	4,017
Net Intangible Assets	272	6,455	10,008	10,008	10,008	10,008
RoU Assets	4,622	5,458	5,878	11,217	16,858	22,478
Other Non-current Assets	1,338	1,889	2,139	2,139	2,139	2,139
Investments	1,03,480	65,405	51,711	51,711	51,711	51,711
<b>Total Non-current Assets</b>	<b>1,12,828</b>	<b>82,346</b>	<b>74,264</b>	<b>80,511</b>	<b>85,980</b>	<b>90,353</b>
Inventories	177	106	487	636	826	1,056
Debtors	11,119	10,623	9,639	12,191	15,297	18,895
Other Current Assets	8,894	11,092	11,997	15,474	19,818	25,010
<b>Cash &amp; Equivalents</b>	<b>11,039</b>	<b>8,639</b>	<b>8,909</b>	<b>39,315</b>	<b>27,647</b>	<b>20,730</b>
<b>Total Current Assets</b>	<b>31,229</b>	<b>30,461</b>	<b>31,030</b>	<b>67,616</b>	<b>63,587</b>	<b>65,690</b>
Creditors	9,561	8,732	8,809	11,510	14,935	19,100
Other Current Liabilities & Provns	6,559	7,138	9,639	12,594	16,342	20,899
<b>Total Current Liabilities</b>	<b>16,120</b>	<b>15,870</b>	<b>18,448</b>	<b>24,104</b>	<b>31,278</b>	<b>40,000</b>
<b>Net Current Assets</b>	<b>15,109</b>	<b>14,591</b>	<b>12,583</b>	<b>43,512</b>	<b>32,310</b>	<b>25,691</b>
<b>TOTAL APPLICATION OF FUNDS</b>	<b>1,27,937</b>	<b>96,937</b>	<b>86,847</b>	<b>1,23,822</b>	<b>1,18,089</b>	<b>1,15,844</b>

Source: Company, HSIE Research

## Cash flow statement

Year ending March	FY22	FY23	FY24	FY25	FY26	FY27
Reported PBT	(36,289)	(41,793)	(23,502)	(25,215)	(19,961)	(13,888)
Non-operating & EO Items	2,582	(641)	3,493	5,867	520	(2,063)
Interest Expenses	469	565	651	885	1,254	1,472
Depreciation	1,701	2,858	4,206	5,752	7,452	8,954
Working Capital Change	(6,876)	(1,139)	1,988	(523)	(465)	(298)
Tax Paid	(590)	(449)	38	-	-	-
<b>OPERATING CASH FLOW ( a )</b>	<b>(39,004)</b>	<b>(40,599)</b>	<b>(13,127)</b>	<b>(13,234)</b>	<b>(11,201)</b>	<b>(5,823)</b>
Capex	(2,274)	(1,573)	(3,459)	(6,660)	(7,279)	(7,708)
<b>Free Cash Flow (FCF)</b>	<b>(41,278)</b>	<b>(42,172)</b>	<b>(16,586)</b>	<b>(19,894)</b>	<b>(18,479)</b>	<b>(13,531)</b>
Investments	(90,148)	40,523	17,677	-	-	-
Non-operating Income	821	728	366	265	1,798	1,844
<b>INVESTING CASH FLOW ( b )</b>	<b>(91,601)</b>	<b>39,678</b>	<b>14,585</b>	<b>(6,395)</b>	<b>(5,481)</b>	<b>(5,865)</b>
Debt Issuance/(Repaid)	(918)	-	1,076	-	-	-
<b>FCFE</b>	<b>(1,31,523)</b>	<b>(921)</b>	<b>2,533</b>	<b>(19,629)</b>	<b>(16,682)</b>	<b>(11,688)</b>
Share Capital Issuance	1,39,058	-	-	44,990	-	-
Dividend	-	-	-	-	-	-
Others	(1,799)	(1,715)	(2,304)	5,046	5,014	4,771
<b>FINANCING CASH FLOW ( c )</b>	<b>1,36,341</b>	<b>(1,715)</b>	<b>(1,228)</b>	<b>50,036</b>	<b>5,014</b>	<b>4,771</b>
<b>NET CASH FLOW (a+b+c)</b>	<b>5,736</b>	<b>(2,636)</b>	<b>229</b>	<b>30,406</b>	<b>(11,668)</b>	<b>(6,917)</b>
Beginning cash	5,225	10,961	8,325	8,909	39,315	27,647
Closing Cash & Equivalents	11,039	8,639	8,909	39,315	27,647	20,730

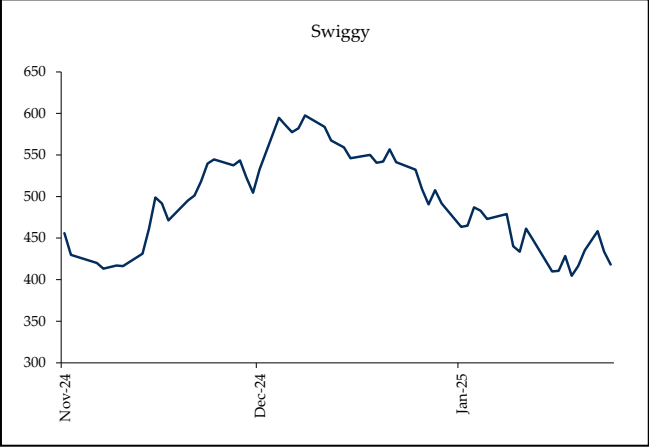
Source: Company, HSIE Research

## Key ratios:

	FY22	FY23	FY24	FY25	FY26	FY27
<b>PROFITABILITY (%)</b>						
GPM	60.2	59.1	59.1	62.1	65.1	67.8
EBITDA Margin	(64.0)	(51.7)	(19.6)	(16.4)	(9.8)	(4.5)
Pre-IND-AS EBITDA Margin (%)	(37,472)	(44,443)	(24,318)	(27,569)	(23,801)	(17,742)
EBIT Margin	(38,212)	(45,616)	(26,286)	(29,903)	(26,117)	(19,849)
APAT Margin	(63.6)	(50.6)	(20.9)	(17.3)	(10.5)	(5.7)
RoE	(51.8)	(39.2)	(27.9)	(27.2)	(19.4)	(15.0)
RoIC (or Core RoCE)	(242.4)	(138.3)	(65.4)	(68.1)	(52.0)	(35.8)
RoCE	(47.7)	(36.7)	(24.8)	(23.3)	(15.5)	(10.6)
<b>EFFICIENCY</b>						
Tax Rate (%)	-	-	-	-	-	-
Fixed Asset Turnover (x)	8.7	11.5	13.9	10.0	8.7	8.2
Inventory (days)	1.1	0.5	1.6	1.6	1.6	1.6
Debtors (days)	71.1	46.9	31.3	30.3	29.3	28.3
Other Current Assets (days)	56.9	49.0	38.9	38.4	37.9	37.4
Payables (days)	61.2	38.6	28.6	28.6	28.6	28.6
Other Current Liab & Provs (days)	42.0	31.5	31.3	31.3	31.3	31.3
Cash Conversion Cycle (days)	26.0	26.3	11.9	10.4	8.9	7.4
Net D/E (x)	(0.1)	(0.1)	(0.1)	(0.3)	(0.3)	(0.2)
Interest Coverage (x)	(79.0)	(78.4)	(36.8)	(33.8)	(20.8)	(13.5)
<b>PER SHARE DATA (Rs)</b>						
EPS	(18.6)	(19.3)	(10.7)	(11.4)	(8.9)	(6.2)
CEPS	(17.7)	(18.0)	(8.8)	(8.8)	(5.6)	(2.2)
Dividend						
Book Value	62.9	41.8	35.5	48.7	43.3	39.5
<b>VALUATION</b>						
P/E (x)	(22)	(22)	(39)	(37)	(47)	(67)
P/BV (x)	6.7	10.0	11.8	8.6	9.7	10.6
EV/EBITDA (x)	(22.9)	(20.6)	(40.4)	(35.7)	(46.8)	(80.9)
EV/Revenues (x)	14.6	10.6	7.9	5.9	4.6	3.6
OCF/EV (%)	(4.7)	(4.6)	(1.5)	(1.5)	(1.3)	(0.7)
FCF/EV (%)	(4.9)	(4.8)	(1.9)	(2.3)	(2.1)	(1.5)
FCFE/Mkt Cap (%)	(14.0)	(0.1)	0.3	(2.1)	(1.8)	(1.2)

Source: Company, HSIE Research

Price Movement



**Rating Criteria**  
BUY: >+15% return potential  
ADD: +5% to +15% return potential  
REDUCE: -10% to +5% return potential  
SELL: > 10% Downside return potential



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