

May 19, 2025

Q4FY25 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY26E	FY27E	FY26E	FY27E
Rating	BUY		BUY	
Target Price	387		350	
Sales (Rs. m)	1,00,353	1,14,946	1,00,276	1,14,424
% Chng.	0.1	0.5		
EBITDA (Rs. m)	6,660	9,880	6,280	9,172
% Chng.	6.0	7.7		
EPS (Rs.)	4.2	8.0	3.7	7.1
% Chng.	14.2	12.4		

Key Financials - Consolidated

Y/e Mar	FY24	FY25	FY26E	FY27E
Sales (Rs. m)	81,415	89,319	1,00,353	1,14,946
EBITDA (Rs. m)	1,266	3,758	6,660	9,880
Margin (%)	1.6	4.2	6.6	8.6
PAT (Rs. m)	(2,264)	1,674	3,156	5,957
EPS (Rs.)	(3.1)	2.2	4.2	8.0
Gr. (%)	NA	NA	88.5	88.8
DPS (Rs.)	-	-	-	-
Yield (%)	-	-	-	-
RoE (%)	NA	1.8	3.3	5.9
RoCE (%)	NA	(1.7)	0.6	3.2
EV/Sales (x)	2.7	2.4	2.2	1.9
EV/EBITDA (x)	170.4	56.1	33.5	22.2
PE (x)	NA	142.9	75.8	40.2
P/BV (x)	2.6	2.5	2.5	2.3

Key Data DELH.BO | DELHIVER IN

52-W High / Low	Rs.461 / Rs.237
Sensex / Nifty	82,331 / 25,020
Market Cap	Rs.239bn/ \$ 2,799m
Shares Outstanding	746m
3M Avg. Daily Value	Rs.1243.4m

Shareholding Pattern (%)

Promoter's	-
Foreign	51.99
Domestic Institution	30.04
Public & Others	17.99
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	22.0	(2.9)	(28.7)
Relative	14.1	(8.5)	(36.2)

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PTL margin skyrockets

Quick Pointers:

- Service EBITDA margin of PTL business zooms to 10.8% (2.2% in 4QFY24).

We increase our FY26E/FY27E EBITDA estimates by 6.0%/7.7% as we tweak our service EBITDA margin assumptions for PTL division amid stellar performance in 4QFY25. DELHIVER reported strong set of results with operating margin of 5.4% (PLe 3.7%; CE 3.4%) as service EBITDA margin of PTL business skyrocketed to 10.8% led by improvement in yield, fleet utilization and volumes. While growth challenges in B2C parcel division continue (flat volumes with 170bps reduction in service EBITDA margin), we believe acquisition of E-com express will not only drive yields but also improve margins as operating leverage benefits would come into play with a wider network coverage. We expect DELHIVER to report sales CAGR of 13.4% over the next 2 years with EBITDA margin of 6.6%/8.6% in FY26E/FY27E and arrive at a per share value of Rs345 (35x FY27E EBITDA; no change in target multiple). We value E-com express separately at Rs43 per share and arrive at a blended TP of Rs387. Retain BUY.

Revenue grew 5.6% YoY: Revenue grew by 5.6% YoY to Rs21,916mn in 4QFY25 (PLe Rs22,302mn). B2C segment's volume was flat YoY at 177mn in 4QFY25, with realization being up 2.6% YoY to Rs71.0/parcel. Consequently, B2C revenue increased 3.2% YoY to Rs.12,560mn. PTL segment saw volume/revenue growth of 19.3%/24.0% YoY to ~0.46mmt (PLe 0.42mmt)/Rs.5,170mn (PLe Rs4,714mn) in 4QFY25, while the realization improved by 3.9% YoY to Rs11,288/ton. Supply chain services (SCS) revenue witnessed a decline by 2.1% YoY to Rs.2,290mn in 4QFY25. FTL revenue was down 13.2% YoY to Rs1,510mn while cross border revenue increased 9.7% YoY Rs340mn.

EBITDA/PAT margin at 5.4%/3.3%: EBITDA increased 159.5% YoY to Rs 1,191mn (PLe Rs824mn, CE Rs766mn) with a margin of 5.4%. Beat at the EBITDA level was due to strong performance from PTL division that reported service EBITDA margin of 10.8% (PLe 4.9%). PAT for the quarter was at Rs726mn (PLe Rs263mn, CE Rs289mn) with a margin of 3.3% as against a loss of Rs685mn in 4QFY24. Service EBITDA margins for Express parcel/PTL/SCS stood at 15.9%/10.8%/5.4% in 4QFY25 as against 17.6%/2.2%/6.0% in 4QFY24 respectively.

Con-call highlights: 1) PTL business saw a sharp 860bps YoY improvement in service EBITDA margin to 10.8% in 4QFY25. This was driven by a 3.8% yield improvement (despite onboarding a low yielding client - HPCL), higher volumes, better fleet utilization, and operating leverage. **2)** Over the long term, capex will be in the band of ~3.5-4% of revenue. **3)** Margin profile of PTL business is likely to mimic B2C express business in long term. **4)** The Rs3bn integration cost pertaining to E-com's acquisition comprises of lease liabilities with lock-ins and operating losses, both of which will flow through the P&L. **5)** Capex on automation and equipment will remain minimal over the next 2-3 years. **6)** 4QFY25 has seen customer additions across both the PTL SME and e-commerce segments. **7)**

Express Parcel and PTL segments have WC improvement potential of 2-3 days, while SCS segment offers greater scope. Overall, 1-2 days reduction in WC days is achievable over the next 2-3 years. **8)** Delhivery's largest customer formed 16% of the business in FY24, and the share was somewhat similar in FY25. **9)** There was EBITDA loss of Rs60mn linked to rapid commerce business as recently established dark stores are not yet generating sufficient revenue. **10)** As of 4QFY25, Delhivery's rapid commerce service operates 18 dark stores across 3 cities. The older stores are handling 350-400 orders/day, aiming to reach a break-even level of 700-800 orders/day. The target is to open 50 stores by FY26E.

Exhibit 1: Q4FY25 Result Overview

Y/e March (Rs mn)	4QFY25	4QFY24	YoY gr.	3QFY25	QoQ gr.	4QFY25E	% Var	FY25	FY24	YoY gr.
Revenue	21,916	20,755	5.6%	23,783	-7.9%	22,302	-1.7%	89,319	81,415	9.7%
Operating expense	15,663	15,187	3.1%	17,508	-10.5%	16,052	-2.4%	65,348	59,707	9.4%
% of revenue	71.5%	73.2%		73.6%		72.0%		73.2%	73.3%	
Employee expense	3,375	3,572	-5.5%	3,562	-5.2%	3,735	-9.6%	13,759	14,368	-4.2%
% of revenue	15.4%	17.2%		15.0%		16.7%		15.4%	17.6%	
Other expense	1,686	1,537	9.7%	1,689	-0.1%	1,691	-0.3%	6,454	6,074	6.3%
% of revenue	7.7%	7.4%		7.1%		7.6%		7.2%	7.5%	
Total expense	20,725	20,297	2.1%	22,759	-8.9%	21,478	-3.5%	85,561	80,149	6.8%
EBITDA	1,191	459	159.5%	1,024	16.3%	824	44.4%	3,758	1,266	196.8%
EBITDA Margin (%)	5.4%	2.2%		4.3%		3.7%		4.2%	1.6%	
Depreciation	1,425	2,004	-28.9%	1,417	0.5%	1,306	9.1%	5,349	7,216	-25.9%
EBIT	(234)	(1,545)	NM	(393)	NM	(482)	NM	(1,591)	(5,949)	NM
Interest expense	337	271	24.2%	333	1.2%	351	-4.0%	1,258	885	42.1%
Other income	1,119	1,193	-6.2%	987	13.4%	1,095	2.2%	4,401	4,527	-2.8%
Exceptional item	-	(147)	NM	-	NM	-		(51)	(224)	NM
Profit from associates	169	63	169.9%	(22)	NM	-	NM	70	87	-19.1%
PBT	717	(707)	NM	238	201.2%	263	173.1%	1,571	(2,444)	NM
Total tax	(8)	(22)	NM	(12)	NM	-		(50)	47	NM
PAT	726	(685)	NM	250	190.4%	263	176.3%	1,621	(2,492)	NM
PAT Margin (%)	3.3%	NM		1.1%		1.2%		1.8%	NM	

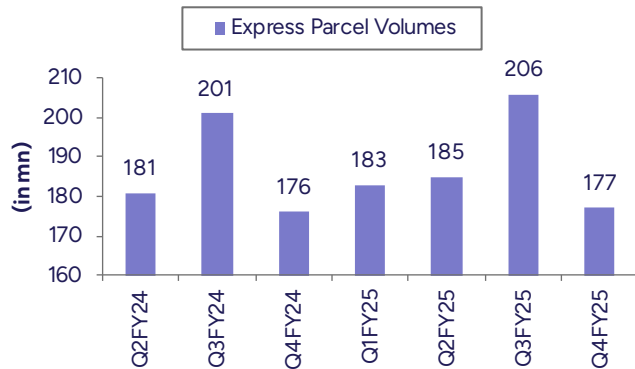
Source: Company, PL

Exhibit 2: Service line-wise profitability

(Rs mn)	4QFY25	3QFY25	2QFY25	1QFY25	4QFY24	3QFY24	2QFY24	1QFY24	4QFY23	FY25	FY24	FY23
Total service EBITDA	2670.0	2560.0	2030.0	2580	2380.0	3060.0	2010.0	1960.0	2050.0	9840.0	9410.0	4240.0
% margin	12.2%	10.7%	9.3%	11.9%	11.5%	14.0%	10.4%	10.2%	11.0%	11.0%	11.6%	5.8%
Express parcel	2000.0	2320.0	1960.0	2320	2140.0	2990.0	2030.0	2170.0	2190.0	8610.0	9330.0	6370.0
% margin	15.9%	15.6%	15.1%	18.2%	17.6%	20.6%	16.8%	18.1%	18.6%	16.2%	18.4%	14.0%
Part truck load	560.0	180.0	140.0	140	90.0	-70.0	-180.0	-300.0	-260.0	1010.0	-460.0	-2360.0
% margin	10.8%	3.8%	2.9%	3.2%	2.2%	-1.8%	-4.9%	-8.5%	-8.0%	5.4%	-3.0%	-20.5%
Supply chain services	120.0	50.0	-90.0	110	140.0	130.0	140.0	120.0	100.0	200.0	530.0	250.0
% margin	5.4%	2.1%	-4.4%	4.4%	6.0%	7.3%	8.5%	5.9%	5.4%	2.2%	6.8%	3.2%
Others	(20.0)	10.0	10.0	10.0	0.0	10.0	30.0	-40.0	20.0	20.0	10.0	-20.0

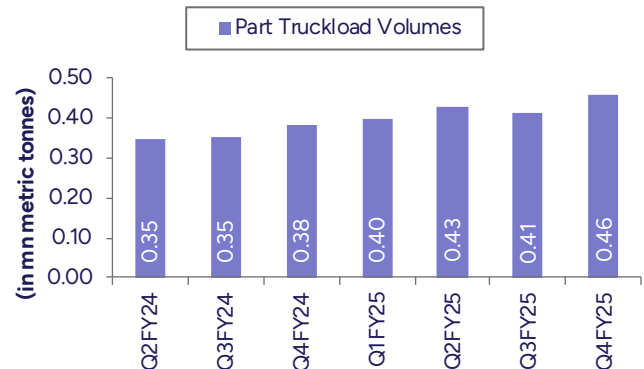
Source: Company, PL

Exhibit 3: Express Parcel volumes stood at 177mn for 4QFY25



Source: Company, PL

Exhibit 4: Part Truckload volumes grew 19.3% YoY in 4QFY25



Source: Company, PL

Exhibit 5: EV/EBITDA valuation

Particulars (Rs mn)	FY27E
EV/EBITDA	35
EBITDA*	6,170
EV	2,15,957
Less: Debt#	397
Add: Cash	41,302
Equity Value	2,56,862
No of shares	746
Per share value of Delhivery (Rs)	345
Per share value of E-com (Rs)	43
SoTP (Rs)	387

Source: PL

* Pre-IND AS EBITDA after reducing rent

Excluding lease liability debt

Financials

Income Statement (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Net Revenues	81,415	89,319	1,00,353	1,14,946
YoY gr. (%)	12.7	9.7	12.4	14.5
Cost of Goods Sold	59,707	65,348	71,832	81,876
Gross Profit	21,708	23,971	28,520	33,070
Margin (%)	26.7	26.8	28.4	28.8
Employee Cost	14,368	13,759	14,886	15,454
Other Expenses	6,074	6,454	6,975	7,736
EBITDA	1,266	3,758	6,660	9,880
YoY gr. (%)	(128.0)	196.8	77.2	48.4
Margin (%)	1.6	4.2	6.6	8.6
Depreciation and Amortization	7,216	5,349	6,035	6,627
EBIT	(5,949)	(1,591)	625	3,254
Margin (%)	NA	NA	0.6	2.8
Net Interest	885	1,258	1,415	1,631
Other Income	4,527	4,401	3,946	4,334
Profit Before Tax	(2,531)	1,501	3,156	5,957
Margin (%)	NA	1.7	3.1	5.2
Total Tax	47	(50)	-	-
Effective tax rate (%)	(1.9)	(3.3)	-	-
Profit after tax	(2,579)	1,551	3,156	5,957
Minority interest	-	-	-	-
Share Profit from Associate	87	70	-	-
Adjusted PAT	(2,264)	1,674	3,156	5,957
YoY gr. (%)	NA	NA	88.5	88.8
Margin (%)	NA	1.9	3.1	5.2
Extra Ord. Income / (Exp)	(228)	(53)	-	-
Reported PAT	(2,492)	1,621	3,156	5,957
YoY gr. (%)	NA	NA	94.7	88.8
Margin (%)	(3.1)	1.8	3.1	5.2
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	(2,492)	1,621	3,156	5,957
Equity Shares O/s (m)	737	746	746	746
EPS (Rs)	(3.1)	2.2	4.2	8.0

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Non-Current Assets				
Gross Block	36,757	44,849	52,728	60,399
Tangibles	31,475	38,928	45,246	51,517
Intangibles	5,282	5,921	7,482	8,882
Acc: Dep / Amortization	16,663	19,420	22,773	26,671
Tangibles	12,273	14,088	16,318	18,884
Intangibles	4,390	5,332	6,454	7,787
Net fixed assets	20,095	25,429	29,955	33,728
Tangibles	19,203	24,840	28,927	32,633
Intangibles	892	589	1,027	1,095
Capital Work In Progress	286	329	296	266
Goodwill	13,442	13,442	13,442	13,442
Non-Current Investments	18,399	18,831	18,831	18,831
Net Deferred tax assets	(134)	(77)	(78)	(80)
Other Non-Current Assets	2,807	3,080	17,141	17,484
Current Assets				
Investments	17,781	25,561	11,561	11,561
Inventories	164	165	185	212
Trade receivables	14,297	14,121	15,672	17,951
Cash & Bank Balance	4,032	3,360	4,819	8,296
Other Current Assets	1,819	1,772	1,807	1,843
Total Assets	1,14,530	1,20,631	1,28,252	1,38,158
Equity				
Equity Share Capital	737	746	746	746
Other Equity	90,710	93,576	96,732	1,02,689
Total Network	91,446	94,322	97,477	1,03,434
Non-Current Liabilities				
Long Term borrowings	402	25	25	25
Provisions	647	748	777	816
Other non current liabilities	8,436	11,381	12,926	14,579
Current Liabilities				
ST Debt / Current of LT Debt	854	372	372	372
Trade payables	7,974	8,552	10,173	11,652
Other current liabilities	4,637	5,156	6,425	7,201
Total Equity & Liabilities	1,14,530	1,20,631	1,28,253	1,38,159

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
PBT	(2,444)	1,571	3,156	5,957
Add. Depreciation	7,216	5,349	6,035	6,627
Add. Interest	132	68	1,415	1,631
Less Financial Other Income	4,527	4,401	3,946	4,334
Add. Other	43	(814)	-	-
Op. profit before WC changes	4,946	6,175	10,605	14,214
Net Changes-WC	151	(249)	15,312	(48)
Direct tax	(373)	(252)	(56)	(57)
Net cash from Op. activities	4,724	5,674	25,862	14,109
Capital expenditures	(4,684)	(4,757)	(10,561)	(10,400)
Interest / Dividend Income	-	-	-	-
Others	3,693	3,721	(13,971)	(254)
Net Cash from Invt. activities	(991)	(1,036)	(24,532)	(10,654)
Issue of share cap. / premium	54	39	-	-
Debt changes	-	-	-	-
Dividend paid	-	-	-	-
Interest paid	(134)	(73)	(1,415)	(1,631)
Others	(3,581)	(4,289)	1,545	1,653
Net cash from Fin. activities	(3,661)	(4,323)	130	22
Net change in cash	72	315	1,460	3,477
Free Cash Flow	(926)	842	15,301	3,709

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY24	FY25	FY26E	FY27E
Per Share(Rs)				
EPS	(3.1)	2.2	4.2	8.0
CEPS	6.7	9.4	12.3	16.9
BVPS	124.1	126.5	130.7	138.7
FCF	(1.3)	1.1	20.5	5.0
DPS	-	-	-	-
Return Ratio(%)				
RoCE	NA	NA	0.6	3.2
ROIC	NA	NA	0.8	4.0
RoE	NA	1.8	3.3	5.9
Balance Sheet				
Net Debt : Equity (x)	(0.2)	(0.3)	(0.2)	(0.2)
Net Working Capital (Days)	29	23	21	21
Valuation(x)				
PER	NA	142.9	75.8	40.2
P/B	2.6	2.5	2.5	2.3
P/CEPS	47.7	34.1	26.0	19.0
EV/EBITDA	170.4	56.1	33.5	22.2
EV/Sales	2.7	2.4	2.2	1.9
Dividend Yield (%)	-	-	-	-

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Net Revenue	21,723	21,897	23,783	21,916
YoY gr. (%)	12.6	12.8	8.4	5.6
Raw Material Expenses	15,795	16,381	17,508	15,663
Gross Profit	5,928	5,516	6,275	6,252
Margin (%)	27.3	25.2	26.4	28.5
EBITDA	971	573	1,024	1,191
YoY gr. (%)	NA	NA	(6.3)	159.5
Margin (%)	4.5	2.6	4.3	5.4
Depreciation / Depletion	1,194	1,313	1,417	1,425
EBIT	(224)	(740)	(393)	(234)
Margin (%)	NA	NA	NA	NA
Net Interest	282	305	333	337
Other Income	1,099	1,196	987	1,119
Profit before Tax	542	151	260	548
Margin (%)	2.5	0.7	1.1	2.5
Total Tax	(14)	(16)	(12)	(8)
Effective tax rate (%)	(2.6)	(10.5)	(4.5)	(1.5)
Profit after Tax	556	166	272	556
Minority interest	-	-	-	-
Share Profit from Associates	(12)	(64)	(22)	169
Adjusted PAT	596	102	250	726
YoY gr. (%)	NA	NA	54.6	NA
Margin (%)	2.7	0.5	1.1	3.3
Extra Ord. Income / (Exp)	(53)	-	-	-
Reported PAT	544	102	250	726
YoY gr. (%)	NA	NA	113.4	NA
Margin (%)	2.5	0.5	1.1	3.3
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	544	102	250	726
Avg. Shares O/s (m)	746	739	740	743
EPS (Rs)	0.8	0.1	0.3	1.0

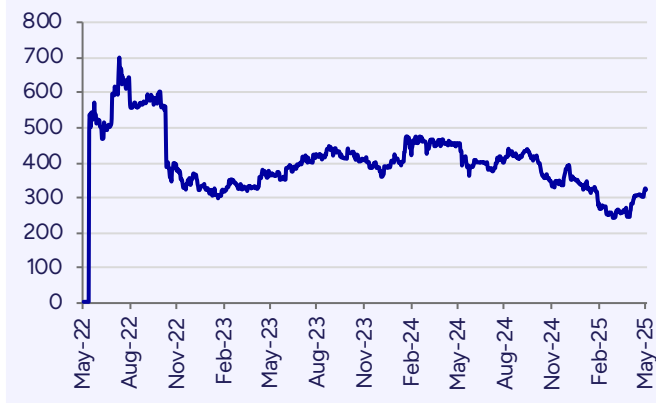
Source: Company Data, PL Research

Key Operating Metrics

Y/e Mar	FY24	FY25	FY26E	FY27E
B2B revenue per tonne	10,616	11,138	11,416	11,645
B2C revenue per shipment	69	71	72	73

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	09-Apr-25	BUY	350	249
2	10-Feb-25	Hold	340	315
3	09-Jan-25	Hold	361	335
4	10-Dec-24	Hold	361	371
5	18-Nov-24	UR	-	331
6	08-Oct-24	Accumulate	430	417
7	05-Aug-24	Accumulate	450	416
8	05-Jul-24	BUY	530	399
9	20-May-24	BUY	530	431

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Chalet Hotels	BUY	1,130	875
2	Delhivery	BUY	350	249
3	DOMS Industries	BUY	3,308	2,635
4	Imagicaaworld Entertainment	BUY	97	67
5	Indian Railway Catering and Tourism Corporation	BUY	850	715
6	InterGlobe Aviation	BUY	5,875	5,157
7	Lemon Tree Hotels	BUY	173	139
8	Mahindra Logistics	Hold	287	310
9	Navneet Education	Hold	152	136
10	Nazara Technologies	BUY	1,127	973
11	PVR Inox	Hold	1,040	966
12	S Chand and Company	BUY	294	193
13	Safari Industries (India)	BUY	2,437	1,960
14	Samhi Hotels	BUY	267	176
15	TCI Express	BUY	924	636
16	V.I.P. Industries	BUY	404	338
17	Zee Entertainment Enterprises	BUY	137	111

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

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