

Pick of *the week*

Delhivery (DELHIVER)

Recommendation: **Buy**

Target Price: **₹560**

Current Price: **₹410**

Time Period: **12 Months**

Date: **14th October 2024**



- 🔧 Delhivery reported an in-line and healthy 13% yoy growth in revenues in Q1FY25.
- 🔧 Delhivery reported a sharp 110 bps beat in adjusted EBITDA margins.
- 🔧 Part truckload (PTL) & Supply Chain Services (SCS) revenues grew 25% yoy.
- 🔧 Improved profitability in PTL at 3.2% service EBITDA margin, up yoy and qoq.
- 🔧 Express parcel reported 4% sequential growth on an impacted Q4FY24.
- 🔧 Q1 beat helps allay the effect of Valmo on both revenue growth & profitability.
- 🔧 There is a start of a good phase of margin uptick.
- 🔧 We expect EPS of Rs 3.9 in FY25E & of Rs 5.6 in FY26E.

We arrive at Discounted Cash Flow (DCF) based Fair Value of Rs 560/share.

Note: The above is a brief note on the company, based on the inputs of KIE research report dated 3rd August 2024, which is available on our website at: <https://www.kotaksecurities.com/ksweb/ResearchCall/Fundamental>.

Disclaimer: <http://bit.ly/2n5AxIE>

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