Dated: 10th August 2026

Delhivery (DELHIVER) - BUY

Result Update

Current Market Price (CMP)	Fair Value (FV)
Rs. 473	**Rs.540**

Rationale:

- Delhivery's outperformance on volume growth was more than negated by timing issues.
- The impact was higher than that seen for peers.
- This is reflected in the mix of the business.
- Delhivery's business model and its focus on maintaining/investing in service quality as it absorbed near-term cost shocks for its vendors.
- We lower FY28 adjusted EBITDA estimates by 8% and revise FV to Rs540 from Rs580.
- The CEO relinquishing some revenue functions and increasing focus on the next round of automation endeavors.
- This would bring down sensitivities to externalities and add to competitive edge.
- Delhivery expects to achieve a large, stable supply of freight operations and at lower costs.
- We expect earnings to grow 151.5% in FY27E and 117.0% in FY28E.

Positives:

- Delhivery reported a strong 55%/5% yoy/qoq growth in Express Parcel volumes.
- Pricing reflects stable competitive intensity.
- PTL volumes grew a strong 18% yoy, with pricing outperformance.
- Aiming to be the first to solve tougher problems, being second mover in others.

Negatives:

- Investments in service quality in inflationary times hurting.

Holding Period: 12 months

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Rating Scale (Private Client Group)

Definitions of ratings

BUY – We expect the stock to deliver more than 15% returns over the next 12 months

ADD – We expect the stock to deliver 5% - 15% returns over the next 12 months

REDUCE – We expect the stock to deliver -5% - +5% returns over the next 12 months

SELL – We expect the stock to deliver < -5% returns over the next 12 months

NR – **Not Rated.** Kotak Securities is not assigning any rating or price target to the stock. The report has been prepared for information purposes only.

SUBSCRIBE – We advise investor to subscribe to the IPO.

RS – **Rating Suspended.** Kotak Securities has suspended the investment rating and price target for this stock, either because there is not a sufficient fundamental basis for determining, or there are legal, regulatory or policy constraints around publishing, an investment rating or target. The previous investment rating and price target, if any, are no longer in effect for this stock and should not be relied upon.

NA – **Not Available or Not Applicable.** The information is not available for display or is not applicable

NM – **Not Meaningful.** The information is not meaningful and is therefore excluded.

NOTE – Our target prices are with a 12-month perspective. Returns stated in the rating scale are our internal benchmark.

Fundamental Research Team (Private Client Group)

Shrikant Chouhan
Head of Research
shrikant.chouhan@kotak.com
+91 22 6218 5408

Arun Agarwal
Auto & Auto Ancillary, Building Material, Cement, Consumer Durable
arun.agarwal@kotak.com
+91 22 6218 6443

Amit Agarwal, CFA
Transportation, Paints, FMCG
agarwal.amit@kotak.com
+91 22 6218 6439

Rini Mehta
Research Analyst
rini.mehta@kotak.com
+91 22 6218 6433

Sumit Pokharna
Oil and Gas, Information Tech
sumit.pokharna@kotak.com
+91 22 6218 6438

Veer Trivedi
BFSI
veer.trivedi@kotak.com
+91 22 6218 6432

Pankaj Kumar
Construction, Capital Goods & Midcaps
pankajr.kumar@kotak.com
+91 22 6218 5498

Amarjeet Maurya
Internet Software & Services
amarjeet.maurya@kotak.com
+91 22 6218 6427

Gaurav Bhandari
Research Analyst
bhandari.gaurav@Kotak.com
+91 22 6218 6440

Technical Research Team (Private Client Group)

Shrikant Chouhan
shrikant.chouhan@kotak.com
+91 22 6218 5408

Amol Athawale
amol.athawale@kotak.com
+91 20 6620 3350

Sayed Haider
sayed.haider@kotak.com
+91 22 62185458

Derivatives Research Team (Private Client Group)

Sahaj Agrawal
sahaj.agrawal@kotak.com
+91 79 66041701

Prasenjit Biswas, CMT, CFTe
prasenjit.biswas@kotak.com
+91 33 6638 8331

Karan Kulkarni
karan.kulkarni@kotak.com
+91 20 66203350

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