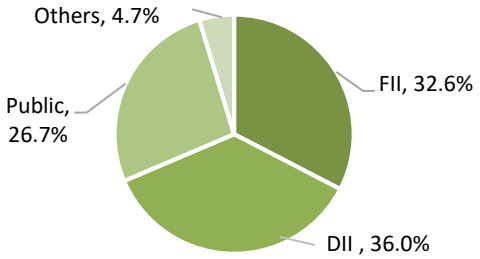
ETERNAL LTD – Q4FY26 RESULT UPDATE

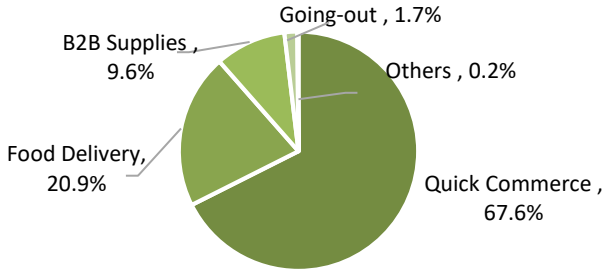
Apr 30, 2026

COMPANY DETAILS	
NSE Details	**Particulars**
Symbol	ETERNAL
Market Cap (₹ Cr)	2,44,221
Market Price (₹) (28 Apr'26)	253.07
Face Value (₹)	1.00
52W High/Low (₹)	368.45/212.60
TTM P/E	643
Recommendation	**BUY**
Target Price	**320**

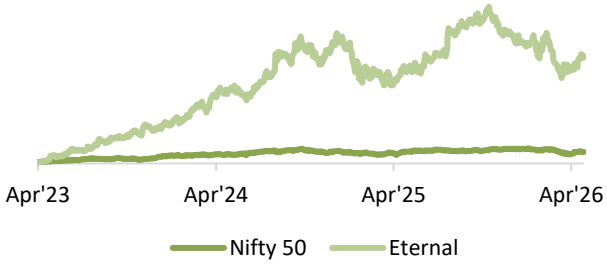
SHAREHOLDING PATTERN– FY26



SEGMENT WISE ADJUSTED REVENUE – FY26



STOCK PERFORMANCE VS NIFTY (3Y)



Live Chart

Q4FY26 Business Performance Overview

Eternal Limited delivered a strong performance in Q4FY26, with robust growth across its core business segments and continued improvement in profitability. At the consolidated level, adjusted revenue increased significantly by 186% YoY and 6% QoQ to ₹17,680 Cr. However, on a like-for-like basis, adjusting for the accounting transition in the quick commerce business, revenue grew by a still-strong 64% YoY. This accounting change reflects the shift to an inventory-led model, where the full value of goods sold is now recognized as revenue instead of only the commission.

In Q4FY26, the company's consolidated Adjusted EBITDA rose by 160% YoY and 18% QoQ to ₹429 Cr, indicating strong operating leverage and improving unit economics across businesses. Meanwhile, B2C Net Order Value (NOV) grew by 54% YoY to ₹26,880 Cr, highlighting sustained demand momentum across platforms. Eternal ended Q4FY26 with a cash balance of ₹17,972 Cr, slightly above ₹17,820 Cr in Q3FY26. Gains came from working capital improvements tied to the inventory-led quick commerce model, partly offset by MTM adjustments on debt securities amid macro volatility. These are accounting movements, not realized losses, and long-term treasury returns remain unaffected as instruments are held to maturity.

On the LPG shortage, management sees no material impact in Q1FY27. CEO Deepinder Goyal noted that localized supply issues, whether LPG or weather, typically shift demand across the platform rather than reduce it.

VALUATIONS

At the CMP of ₹253.07, the stock is trading at FY26 PE of 632x. The current valuation of 166x FY27e and 60x FY28e EPS look attractive. We reiterate a BUY on the stock for a target price of ₹320 (76x FY28e EPS) with an upside of ~ 26% from the current level with an investment horizon of 12 - 18 months.

We had previously featured this stock at ₹231.99 in our March 2026 Monthly Report.

In ₹ Crore	Reported Financials			Estimated Financials	
Particulars	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**
Revenue	12,114	20,243	54,364	1,03,462	1,58,465
Growth in Revenue (%)	71%	67%	169%	90%	53%
EBITDA	43	648	1,208	3,621	8,399
Growth in EBITDA (%)	-104%	1407%	86%	200%	132%
EBITDA Margin	0%	3%	2%	4%	5%
Profit After Tax (PAT)	351	527	366	1,470	4,060
Growth in PAT (%)	-136%	50%	-31%	302%	176%
PAT Margin	3%	3%	1%	1%	3%
EPS	0.4	0.6	0.4	1.5	4.2
EPS Growth	-135%	50%	-33%	281%	176%

Segment-Specific Highlights

1) Food Delivery Business (Zomato)

- The food delivery segment continued its steady recovery, with NOV growing **18.8% YoY**, marking the third consecutive quarter of acceleration and moving closer to the **20%+ long-term growth target**. On profitability, Adjusted EBITDA increased **24% YoY to ₹532 crore**, while margins improved to **5.5% of NOV** (vs 5.2% in Q4FY25), supported by better cost efficiencies and higher revenue per order.
- Management highlighted that the recent acceleration in growth is structural rather than cyclical. A key driver has been the deliberate expansion into **price-sensitive segments**, including lowering the **free delivery threshold to ₹99** (from ₹199) for Gold members, targeted activation of budget-conscious users, and curated offerings such as **meals under ₹250.** This has led to strong monthly transacting customer (MTC) growth, driven by both new users and higher frequency among existing customers. While this strategy has resulted in a decline in average order value (NAOV), it is intentional to expand the addressable market.
- Unit economics remain intact. Revenue per order continues to improve and cost efficiencies have kept pace, allowing margins to stay stable despite a shift toward lower-value orders. The focus remains on **absolute EBITDA growth rather than margin %.**
- Additionally, rising app opens indicate improving underlying demand, and the earlier impact of quick commerce on food delivery has now plateaued, with both segments settling into distinct use cases. Overall, the company expects growth to trend toward 20%+ YoY, with **margins sustaining in the 5–6% range.**

2) Quick Commerce (Blinkit)

- Blinkit's NOV grew at a strong **~104% CAGR (FY23–FY26)**, and despite moderation on a higher base, is expected to sustain **60%+ CAGR** over the next 3 years, **implying >4x scale-up.**
- In Q4FY26, Blinkit remained the fastest-growing segment with NOV up **95.4% YoY and 8.2% QoQ.** The company added **216** net new stores, taking the total number of stores **2,243** in FY26. Profitability is improving, with Adjusted EBITDA rising to **₹37 crore (vs ₹4 crore QoQ) and margins at 0.3%,** indicating early operating leverage.
- In terms of profitability, mature cities like Delhi NCR are already nearing **steady-state margins of 5–6%,** supported by strong store throughput, customer retention, and wallet share, highlighting durable unit economics. At the aggregate level, margins have consistently improved YoY, and management remains confident of further expansion, with timing being the only variable.
- Importantly, the strategy remains growth-first, with profitability seen as an outcome of scale, not a primary objective. Significant headroom across geography, categories, and frequency continues to support long-term growth and margin expansion.

3) Going-Out (District)

- The going-out segment (District) delivered strong momentum, with NOV rising **46.5% YoY**. Losses narrowed meaningfully, as Adjusted EBITDA improved to **-₹81 Cr from -₹121 Cr** in the prior quarter. EBITDA margins strengthened to **-3.0% versus -4.7%** in Q3FY26, reflecting tighter cost control and better monetization across dining, movies, and events.
- The company has previously guided toward **$3 bn in NOV and $150 million in Adjusted EBITDA by FY30**, implying **~30%+ YoY** NOV growth from current levels. Despite significant INR depreciation since that guidance, management **remains confident** in achieving the trajectory.

4) Hyperpure (B2B Supply Business)

- Hyperpure continued to scale efficiently, with revenue growing by **37% YoY**, an improvement over **33% growth** in the previous quarter. The segment also turned more profitable, with Adjusted EBITDA increasing to **₹5 crore from ₹1 crore in Q3FY26**.

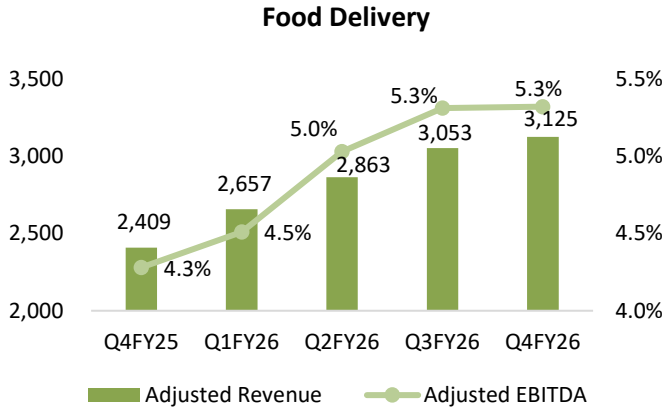
Quarterly Highlights

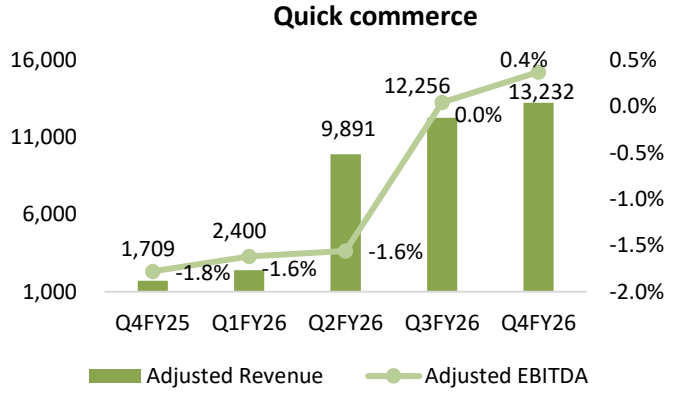
Food Delivery - Zomato

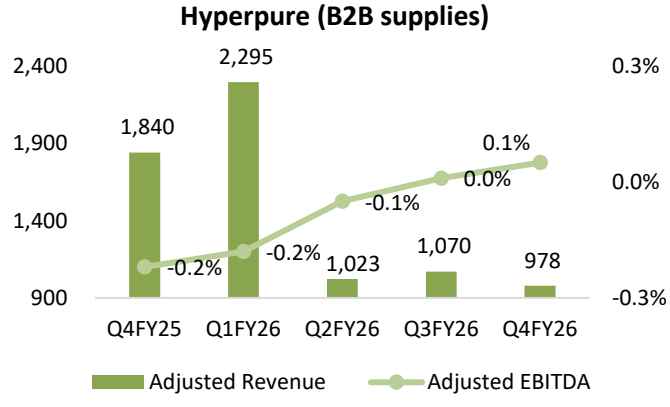
Particulars (All Figures in ₹ Cr)	Q4FY26	QoQ	YoY	FY26	YoY
NOV	9,757	-1%	19%	37,993	16%
Adjusted Revenue	3,125	2%	30%	11,698	24%
Contribution	998	-2%	19%	3,882	26%
as a % of NOV	10%	-20 bps	-10 bps	10%	-80 bps
Adjusted EBITDA	532	0.2%	24%	2,017	34%
as a % of NOV	6%	10 bps	30 bps	5%	-70 bps
Average monthly transacting customers	2.5	2%	22%	2.4	18%
Average monthly active food delivery restaurant partners ('000)	344	2%	10%	330	11%
Average monthly active delivery partners ('000)	576	2%	30%	552	17%

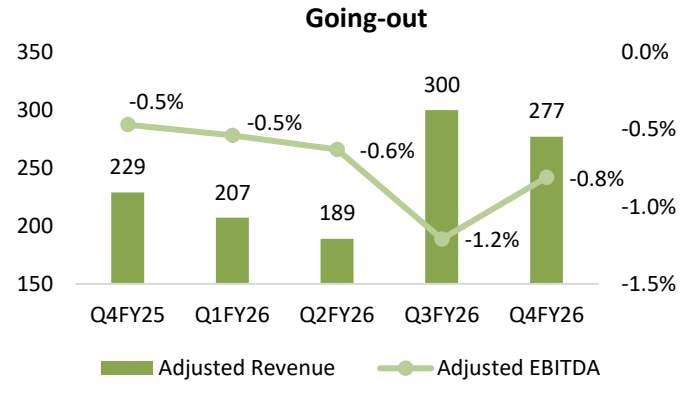
Quick Commerce - Blinkit

Particulars (All Figures in ₹ Cr)	Q4FY26	QoQ	YoY	FY26	YoY
NOV	14,386	8%	95%	48,567	117%
Revenue	13,232	8%	674%	37,779	626%
Contribution	782	6%	171%	2,420	154%
as a % of NOV	5%	-10 bps	151 bps	5%	-72 bps
Adjusted EBITDA	0.37	825%	-121%	-2.77	-5%
as a % of NOV	0.3%	30 bps	270 bps	-0.6%	-70 bps
Orders	27.39	13%	93%	91.66	116%
Net average order value (NAOV)	525	-4%	1%	530	0%
Average monthly transacting customers	2.72	15%	99%	2.21	117%
Average NOV per day, per store (INR'000)	768	2%	4%	756	-1%
No of stores (as at end of period)	2,243	11%	72%	2,243	72%









All figures are in ₹ Crores

Source: JRK Research, Company Reports

Financial Statements

INCOME STATEMENT					₹ Cr
Particulars	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**
Income					
Revenue from operations	4,192	7,079	12,114	20,243	54,364
Revenue from Operations Growth YoY	110%	69%	71%	67%	169%
Other income	495	682	847	1,077	1,396
Total Income	**4,688**	**7,762**	**12,962**	**21,321**	**55,762**
Expenses					
Cost of Marterial Consumed					54
Purchases of stock-in-trade	552	1,438	2,887	5,653	32,115
Changes in inventories of stock-in-trade	-28	-43	-5	-88	-2,002
Employee benefits expense	1,633	1,465	1,659	2,558	3,536
Other expenses	3,886	5,429	7,531	11,483	19,453
Total Expenses	**6,043**	**8,289**	**12,072**	**19,606**	**53,156**
EBITDA	**-1,851**	**-1,210**	**42**	**637**	**1,208**
EBITDA Growth	-	-	-103%	1417%	90%
EBITDA Margin	-44%	-17%	0%	3%	2%
Depreciation and amortisation expenses	150	437	526	863	1,597
EBIT	**-2,001**	**-1,647**	**-484**	**-226**	**-389**
EBIT Growth	-	-	-71%	-53%	72%
EBIT Margin	-48%	-23%	-4%	-1%	-1%
Finance costs	12	49	72	154	392
PBT	**-1,518**	**-1,014**	**291**	**697**	**615**
Exceptional items	297				-
Share of profit / (loss) of an associate and joint venture	0.3				
Tax expense :	0				
Current tax	2	-	1	231	319
Deferred tax		-44	-61	-61	-70
Total tax expense	**2**	**-44**	**-60**	**170**	**249**
Profit / (loss) for the year (PAT)	**-1,223**	**-970**	**351**	**527**	**366**
PAT Growth	-	-	-	50%	-31%
PAT Margin	-29%	-14%	3%	3%	1%
EPS	**-1.67**	**-1.2**	**0.41**	**0.58**	**0.39**
EPS Growth	-	-	-	41%	-33%

QUARTERLY INCOME STATEMENT					₹ Cr
Particulars	**Q4FY26**	**Q3FY26**	**QoQ**	**Q4FY25**	**YoY**
Sales	17,292	16,315	6%	5,833	196%
Expenses	16,806	15,947	5%	5,761	192%
Operating Profit	**486**	**368**	**32%**	**72**	**575%**
OPM %	3%	2%	55 bps	1%	157 bps
Other Income	342	348	-2%	368	-7%
Interest	132	107	23%	56	136%
Depreciation	468	439	7%	287	63%
Profit before tax	**228**	**170**	**34%**	**97**	**135%**
Tax %	24%	40%		60%	
Net Profit	174	102	71%	39	346%
Net Profit Margin	**1%**	**1%**	38 bps	**1%**	33 bps
EPS in Rs	0.18	0.11	64%	0.04	350%

BALANCE SHEET					₹ Cr
Particulars	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**
ASSETS	**17,327**	**21,599**	**23,356**	**35,623**	**40,736**
Non-Current Assets					
Property, Plant and Equipment-Net	51	209	287	965	2,033
Capital Work in Progress	1	7	18	51	136
Right-of-use assets	64	427	690	1,918	4,294
Goodwill	1,209	4,717	4,717	5,737	5,737
Intangible Assets	80	991	754	912	611
Financial Assets	8,305	4,174	11,112	13,664	11,348
Investments	3,086	2,280	10,365	10,920	9,742
Other financial assets	5,219	1,894	747	2,744	1,606
Tax assets (net)	67	116	221	129	216
Other Non-Current Asset	5	127	99	546	661
Total Non-Current Assets	**9,782**	**10,768**	**17,898**	**23,922**	**25,036**
Current Assets					
Inventories	40	83	88	176	2,181
Financial assets	-				
Investments	1,632	4,485	1,280	2,272	5,091
Trade receivables	160	457	794	1,946	1,764
Cash and cash equivalents	392	218	309	666	996
Bank balances other than cash and cash equivalents	1,183	799	422	2,948	527
Other financial assets	3,667	4,418	2,324	2,769	3,537
Other Current Assets	471	371	241	924	1,604
Total Current Assets	**7,545**	**10,831**	**5,458**	**11,701**	**15,700**
EQUITY AND LIABILITIES					
Share Capital	764	836	868	907	919
Other Equity/ Reserve	15,741	18,624	19,545	29,410	30,061
Equity Attributable to Owners	**16,506**	**19,460**	**20,413**	**30,317**	**30,980**
Non - Controlling Interest	-7	-7	-7	-7	-7
Total Equity	**16,499**	**19,453**	**20,406**	**30,310**	**30,973**
Liabilities					
Non - Current Liabilities					
Financial Liabilities					
Lease liabilities	51	351	588	1,654	3,833
Other financial liabilities	0	11	3	1	-
Provisions	65	94	88	120	156
Deferred tax liabilities (net)		249	188	212	102
Total Non-Current liabilities	**117**	**705**	**867**	**1,987**	**4,091**
Current Liabilities					
Financial Liabilities					
Lease liabilities	19	115	161	391	759
Trade payables	429	679	886	1,536	3010
Other financial liabilities	29	345	644	913	1,105
Other current liabilities	216	276	363	452	759
Provisions	19	26	29	34	39
Total current liabilities	**712**	**1,441**	**2083**	**3326**	**5672**
Total Liabilities	**828**	**2,146**	**2,950**	**5,313**	**9,763**
Total Equity and Liabilities	**17,327**	**21,599**	**23,356**	**35,623**	**40,736**

RATIO ANALYSIS	FY22	FY23	FY24	FY25	FY26
Profitability Ratios					
EBITDA Margin	-44%	-17%	0%	3%	2%
Net Profit Margin	-29%	-14%	3%	3%	1%
ROE	-7%	-5%	2%	2%	1%
ROCE	-13%	-6%	1%	2%	1%
Liquidity/Solvency Ratio					
Current Ratio (x)	10.60	7.52	2.62	3.52	2.77
Debt-Equity Ratio (x)	0.00	0.02	0.03	0.05	0.12
Working Capital Ratios					
Debtor Days	14	24	24	35	12
Inventory Days	28	22	11	12	26
Days Payable	298	178	112	101	36
Cash Conversion Cycle	-256	-132	-77	-54	2
Working Capital Days	316	200	41	45	57
Valuation Ratio					
PE (x)	-49.28	-42.50	444.15	336.17	587.69
EV/EBITDA (x)	-34.85	-36.45	3,837.29	307.64	185.66
Market Cap/Sales (x)	15.45	6.16	13.26	9.62	4.07

Source: JRK Research, Company Reports

JRK Stock Broking Private Limited

SEBI Registered Research Analyst Registration Number: INH300008881

NSE: INB/INF/INE 231293235

BSE: INB/INF 011293231

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