



# Pick of the week

## IndiaMART InterMESH Ltd (INDIAMART)

Recommendation: **BUY**

Date: **1st August 2022**

Current Price: ₹**4270**

Time Period: **12 Months**

Potential Upside: **17.4%**

Target Price: ₹**5015**

### Why Invest

- Deferred revenue grew 34% yoy to Rs.961 cr, gives us decent revenue visibility.
- Overall demand environment has improved.
- Management's focus is on capitalizing the emerging opportunities.
- Paying subscription suppliers grew by 23% yoy and 6% qoq to 179,260 in Q1FY23.
- Revenue grew 24% yoy & 12% qoq to Rs.225 cr in Q1FY23 (vs our expectation of Rs.219 cr).
- Operating profit up by 12% qoq to Rs.64.2 cr (vs our estimate of Rs.59.5 cr) in Q1FY23.
- Supplier Storefronts grew by ~9% yoy and 1% qoq to 72 lakh.
- We value the stock at 40x on PE multiple based on EPS of Rs.125.4 for FY24E.

Note: The above is a brief note on the company, based on the inputs of KIE research report dated 25th July 2022, which is available on our website at: <https://www.kotaksecurities.com/ksweb/ResearchCall/Fundamental>.

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