

April 15, 2026

Soft demand trends and CFO exit cloud visibility;...

About the stock: Just Dial (JDL) generates revenues from advertisers on various subscription and fee-based packages. Reliance Retail Ventures Limited holds a 63.85% stake in JDL. Further, JDL's launch of B2B platform – "JD Mart" is likely to be a key revenue driver in the long run.

Q4FY26 and FY26 Performance: JDL reported revenue of ₹307.2 crore, up 0.5% QoQ & 6.2% YoY in Q4FY26. Paid campaigns grew by 0.4% QoQ and 3% YoY to 631.5k, with average pricing per paid campaign flat at ₹4,825. EBITDA margins came at 28.9%, down ~226 bps QoQ/ ~87 bps YoY. For FY26, it reported revenue of ₹1,213.8 crore, up 6.2% YoY while EBITDA margins came at 29.5%, up ~8 bps YoY.

Investment Rationale

- **Weak core growth and monetisation challenges:** JDL's core business continues to exhibit muted growth, with revenue rising only ~0.5% QoQ and 6% YoY while paid campaign additions remaining largely stagnant at ~0.3% QoQ/ 3% YoY, reflecting limited traction in SME demand. Flat ARPU (~₹4,825) further indicates weak pricing power despite platform scale. Additionally, declining traffic (unique visitors down 1.2% QoQ and 4.7% YoY) trends signal weakening user engagement, raising concerns over the platform's ability to drive sustainable lead generation and monetisation going forward. **We have baked in ~5.5% CAGR in revenues over FY26-28E to ₹ 1,343 crore.**
- **Margin pressure and volatile earnings quality:** Profitability remains under pressure with EBITDA margins declining QoQ and YoY, driven by rising due to higher employee benefit (+2.8% QoQ) and other expenses (+9.8% QoQ). More importantly, a sharp decline in other income (-43% QoQ/-55% YoY), possibly owing to yields increase during Q4, has significantly impacted PAT, highlighting dependence on non-operating income streams for earnings growth. **We expect EBITDA margins of 28.5% in FY27E & FY28E.**
- **Leadership exit adds to execution uncertainty; cash overhang remains:** Resignation of Mr. Abhishek Bansal, CFO amidst weak business momentum, also remain another concern. Moreover, despite ongoing investments in AI-led tools & platform enhancements, there is limited evidence of meaningful business acceleration. Thus, near-term upside appears limited. **Capital allocation also remains suboptimal with no further information on cash utilisation or dividend payout or buyback.**

Rating and Target Price

- Given the lack of strong catalysts and stable but uninspiring financial trajectory, we see limited incremental value in continuing coverage. **Thus, we are DROPPING COVERAGE on Just Dial. We advise investors to exit from JDL and shift to better opportunities elsewhere in the coverage universe such as Affle in the ad-tech space.**

Key Financial Summary

(₹ crore)	FY24	FY25	FY26	5 year CAGR (FY21-26)	FY27E	FY28E	2 year CAGR (FY26-28E)
Net Sales	1,043	1,142	1,207	12.3	1,265	1,343	5.5
EBITDA	217	335	351	17.8	361	383	4.5
EBITDA Margins (%)	20.8	29.4	29.1		28.5	28.5	
Net Profit	363	584	497	18.4	542	571	7.1
EPS (₹)	42.7	68.7	60.1		63.7	67.1	
P/E	13.4	8.3	9.5		9.0	8.5	
RoNW (%)	9.0	12.7	9.7		9.7	9.3	
RoCE (%)	11.2	13.9	11.9		11.8	11.4	

Source: Company, ICICI Direct Research

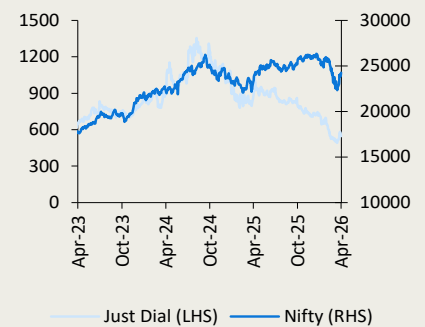
Particulars

Particular	Amount
Market Capitalization (₹ Crore)	4,643
Total Debt (₹ Crore)	-
Cash and Investments (₹ Crore)	5,279
EV (₹ Crore)	(1,209)
52 week H/L	1048 / 480
Equity capital (₹ Crore)	85
Face value (₹)	10

Shareholding pattern

	Mar-25	Jun-25	Sep-25	Dec-25
Promoters	74.2	74.1	74.1	74.1
FII	6.6	6.5	5.9	6.0
DII	8.9	8.8	9.0	9.0
Others	10.4	10.6	10.9	10.9

Price Chart



Key risks

- Decision on cash distribution/utilisation;
- More than expected business re-acceleration

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Performance highlights and outlook

- **Cash and Investment:** Cash & Investments stood at ₹5,852 crore, up 2.6% QoQ/ 10.9% YoY.
- **Attrition and utilisation:** Total employee headcount for JDL stood at 13,070 employees vs 12,731 employees in the previous quarter i.e., addition of 339 employees during the quarter.

Exhibit 1: Quarter Performance

	Q4FY26	Q4Y25	YoY (%)	Q3FY26	QoQ (%)	Comments	FY26	FY25	YoY (%)
Revenue	307.2	289.2	6.2	305.7	0.5		1,207.2	1,141.9	5.7
Employee expenses	184.0	174.8	5.3	179.1	2.8		726.8	695.4	4.5
Gross Margin	123.2	114.4	7.7	126.6	(2.7)		480.4	446.5	7.6
Gross margin (%)	40.1	39.5	56 bps	41.4	-131 bps		39.8	39.1	69 bps
Other expenses	34.5	28.3	21.8	31.4	9.8		129.5	111.2	16.5
EBITDA	88.8	86.1	3.1	95.2	(6.8)		350.9	335.4	4.6
EBITDA Margin (%)	28.9	29.8	-87 bps	31.2	-226 bp bps YoY, due to higher employee benefit (+2.8% QoQ) and other expenses (+9.8% QoQ).		29.1	29.4	-31 bps
Depreciation & amortisation	10.9	11.8	(7.8)	11.2	(2.5)		45.0	47.3	(4.8)
EBIT	77.9	74.3	4.9	84.1	(7.4)		305.8	288.1	6.2
EBIT Margin (%)	25.4	25.7	-33 bps	27.5	-215 bps		25.3	25.2	10 bps
Other income (less interest)	46.8	105.3	(55.5)	82.6	(43.4)		324.8	376.0	(13.6)
PBT	124.7	179.5	(30.5)	166.7	(25.2)		630.6	664.2	(5.0)
Tax paid	24.7	21.9	12.6	27.7	(10.8)		119.2	80.0	49.1
PAT	100.0	157.6	(36.5)	139.0	(28.1)	PAT declined due to lower other income (-43% QoQ/-55% YoY).	497.4	584.2	(14.9)

Source: Company, ICICI Direct Research

Financial Summary

Exhibit 1: Profit and loss statement				₹ crore
(Year-end March)	FY26	FY27E	FY28E	
Total Revenues	1,207	1,265	1,343	
Growth (%)	5.7	4.8	6.2	
COGS	727	772	819	
Other Expenses	130	133	141	
EBITDA	351	361	383	
Growth (%)	4.6	2.8	6.2	
Depreciation	45	60	60	
Other Income	334	396	406	
Interest paid	9	11	11	
PBT	631	686	718	
Growth (%)	(5.0)	8.7	4.8	
Total Tax	119	144	147	
PAT	511	542	571	
Adjusted PAT	497	542	571	
Adjusted PAT (Growth %)	(14.9)	8.9	5.4	
EPS	58.5	63.7	67.1	
EPS (Growth %)	(14.9)	8.9	5.4	

Source: Company, ICICI Direct Research

Exhibit 2: Cash flow statement				₹ crore
(Year-end March)	FY26	FY27E	FY28E	
Net profit before Tax	616	686	718	
Depreciation	45	60	60	
(inc)/dec in Current Assets	7	(27)	(7)	
(inc)/dec in current Liabilities	1	122	64	
CF from operations	269	312	293	
Other Investments	(335)	96	106	
(Purchase)/Sale of Fixed Assets	(4)	(8)	(8)	
CF from investing Activities	(242)	88	98	
Inc / (Dec) in Equity Capital	-	-	-	
Othes	(30)	(30)	(30)	
Dividend & Buyback	-	(54)	(57)	
Interest Paid on Loans	(1)	(11)	(11)	
CF from Financial Activities	(31)	(95)	(97)	
Cash generating during the year	(4)	305	293	
Opening cash balance	10	7	312	
Closing cash	7	312	605	

Source: Company, ICICI Direct Research

Exhibit 3: Balance Sheet				₹ crore
(Year-end March)	FY26	FY27E	FY28E	
Equity	85	85	85	
Reserves & Surplus	5,021	5,509	6,023	
Networth	5,106	5,594	6,108	
Minority Interest	-	-	-	
Total Debt	-	-	-	
Other long term liabilities	271	288	305	
Source of funds	5,377	5,882	6,413	
Net Block	104	85	66	
CWIP	-	-	-	
Other intangible assets&Goodwill	5	4	4	
Other long term assets	21	23	22	
Current investments	5,644	5,944	6,244	
Other financial assets	12	29	31	
Cash & Cash equivalents	209	514	807	
Loans and advances	0	0	0	
Other Current Assets	50	55	59	
Trade payables	17	27	29	
Other Current liabilities	634	729	774	
Provisions	16	16	16	
Application of funds	5,377	5,882	6,413	

Source: Company, ICICI Direct Research

Exhibit 4: Key ratios			
(Year-end March)	FY26	FY27E	FY28E
Per share data (₹)			
EPS	60.1	63.7	67.1
BV per share	600.5	657.8	718.2
DPS	-	6	7
Cash per Share	24.5	60.4	94.9
Operating Ratios			
EBITDA Margin (%)	29.1	28.5	28.5
EBIT Margin (%)	25.3	23.8	24.0
PAT Margin (%)	41.2	42.8	42.5
Creditor days	5	8	8
Return Ratios (%)			
RoE	9.7	9.7	9.3
RoCE	11.9	11.8	11.4
Valuation Ratios (x)			
P/E	9.5	9.0	8.5
EV / EBITDA	(2.8)	(4.4)	(5.7)
Price to Book Value	1.0	0.9	0.8
EV / Net Sales	(0.8)	(1.3)	(1.6)
Market Cap / Sales	4.0	3.8	3.6
Solvency Ratios			
Debt/EBITDA	-	-	-
Debt / Equity	-	-	-
Current Ratio	0.1	0.1	0.1
Quick Ratio	0.1	0.1	0.1

Source: Company, ICICI Direct Research

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Buy: >15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%

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