

19 May 2025

India | Equity Research | Results Update

Matrimony.com

Internet

As the night grows darker, management hopeful of a dawn

Q4FY25 was the third straight quarter with sequential revenue declines. In our view, this was due to market share losses. Now, management is guiding for billing recovery in Q1FY26 (on the basis of the trends from Apr’25 and early-May’25) and revenue growth resuming from Q2FY26. However, we think rerating is unlikely until some tangible signs of recovery are visible. Competitive intensity remains high in this space. New initiatives are yet to scale up. Therefore, we lower our revenue/EBITDA/PAT estimates by 6.1%/7%/7.3% and 9.8%/10.6%/6.4% for FY26 and FY27, respectively. Thus, we cut our TP to INR 485; however, given inexpensive valuations and hopes of a turnaround, we maintain **HOLD**.

Q4FY25 performance review

In Q4, Matrimony’s revenue was INR 1bn, down 2.8% QoQ/9.2% YoY (4.4% below I-Sec est.). Revenue from matchmaking services (~98.8% of total revenue) was down 2.8% QoQ/9.1% YoY. Marriage services revenue (~1.2% of overall revenue) was down 3% QoQ/14.5% YoY. EBITDA margin was 6.5%, down 577bps QoQ/759bps YoY. PAT in Q4FY25 was INR 82mn. The board has recommended a dividend of INR 5/share for FY25.

Matchmaking services’ billings grew 4.8% QoQ/declined 4.8% YoY to INR 1.1bn and marriage services’ billings grew 20% QoQ/declined 36.8% YoY to INR 12mn. Ex-marketing expenses, EBITDA margin for matchmaking services was 55%. Paid subscription (250k) grew 4.2% QoQ/declined 7.4% YoY. Average transaction value (ATV) was up 1.7% QoQ/up 4.5% YoY to INR 4,621.

Management commentary

Management highlighted that FY25 was a challenging year for the entire online matchmaking industry, marked by a decline in user profiles and paid subscriptions. This downturn was largely due to post-Covid-19 normalisation, as many customers had fast-tracked their marriage decisions during the pandemic, when uncertainty and lockdowns prevailed. However, growth resumed Mar’25 onwards and continued through April and May; management seems confident that billing will likely pick up in Q1FY26 and revenue growth would follow suit in Q2FY26.

Financial Summary

Y/E March (INR mn)	FY24A	FY25A	FY26E	FY27E
Net Revenue	4,814	4,558	4,776	5,227
EBITDA	721	583	681	818
EBITDA Margin (%)	15.0	12.8	14.3	15.7
Net Profit	495	453	504	639
EPS (INR)	20.7	18.9	21.1	26.7
EPS % Chg YoY	0.0	(8.4)	11.0	26.7
P/E (x)	24.6	26.8	24.2	19.1
EV/EBITDA (x)	11.9	17.7	13.5	10.4
RoCE (%)	10.0	7.7	7.1	8.3
RoE (%)	18.2	17.0	18.9	19.7

Abhisek Banerjee
abhisek.banerjee@icicisecurities.com
+91 22 6807 7574
Jayram Shetty
jayram.shetty@icicisecurities.com

Market Data

Market Cap (INR)	11bn
Market Cap (USD)	129mn
Bloomberg Code	MATRIM IN
Reuters Code	MATI BO
52-week Range (INR)	842 /460
Free Float (%)	48.0
ADTV-3M (mn) (USD)	0.1

Price Performance (%)	3m	6m	12m
Absolute	1.6 (23.2)	(7.0)	
Relative to Sensex	(6.8) (29.3)	(18.8)	

ESG Score	2023	2024	Change
ESG score	69.3	69.0	(0.3)
Environment	40.8	37.5	(3.3)
Social	76.6	75.1	(1.5)
Governance	79.6	83.4	3.8

Note - Score ranges from 0 - 100 with a higher score indicating higher ESG disclosures.
Source: SES ESG, I-sec research

Earnings Revisions (%)	FY26E	FY27E
Revenue	(6.1)	(9.8)
EBITDA	(7.0)	(10.6)
EPS	(7.3)	(6.4)

Previous Reports

07-02-2025: [Q3FY25 results review](#)
08-11-2024: [Q2FY25 results review](#)

In north India, Shaadi.com continues to hold a dominant position while Matrimony.com had a limited presence for nearly three years. To regain market share, the company is now focusing on sustained TV-led brand visibility and adopting a multi-brand strategy that leverages both national and community-focused brands such as Bharat Matrimony, Community Matrimony and Jodii.

Advertising spend remains a steep ~40% of revenue – driven by intense competition in north India; but management does not plan to increase this further. Instead, they have reallocated marketing budgets from digital channels to television to maintain consistent brand visibility across key markets.

Regarding new initiatives, the company paused its Wedding Loans service due to poor conversion rates, while the ManyJobs platform has completed its investment phase and is preparing to monetise soon. The MakeMyWedding platform has launched a commission-based model targeting over 100 bookings, and the rebranded AstroFreeChat app is gaining traction with ~1,000 organic downloads daily.

Strategically, the company remains open to acquisitions in adjacent sectors but has no near-term plans for mergers and acquisitions within matchmaking. The focus remains on organic growth, with strategic M&A as a potential option.

Additionally, the company restructured its billing model to avoid falling under Google's mandatory billing system, but continues to invest heavily in Google Ads for customer acquisition.

Valuation

We maintain **HOLD** with a revised target price of INR 485 (INR 560 earlier), based on ~18x one-year forward P/E multiple (FY27E). We have cut our EPS estimates 7.3%/6.4% for FY26/FY27.

Upside risks: 1) Stronger-than-expected market share gain in India's northern region, driving recovery in matchmaking; and 2) new initiatives gaining traction faster than anticipated.

Downside risks: 1) Weaker-than-expected conversion of active profiles into paid subscriptions; and 2) slower-than-expected scale up in marriage services.

Exhibit 1: Q4FY25 review

(INR mn)	Q4FY25	Q3FY25	Q4FY24	QoQ (%)	YoY (%)	I-sec estimates	Var (%)
Net Sales	1,083	1,114	1,192	(2.8)	(9.2)	1,133	(4.4)
Total Expenses	1,013	977	1,024	3.6	(1.1)	982	3.1
EBITDA	71	137	168	(48.4)	(58.0)	151	(53.0)
EBITDA %	6.5	12.3	14.1	-577 bps	-759 bps	13.3	-676 bps
Depreciation	70	74	72	(4.2)	(1.9)	74	(4.2)
EBIT	0	64	96	(99.5)	(99.7)	77	(99.6)
Finance Cost	11	12	12	(6.7)	(9.8)	12	(6.7)
Other income	113	70	69	61.1	64.6	70	61.1
Recurring pre-tax income	102	122	153	(16.1)	(33.1)	135	(24.5)
Taxation	20	22	36	(6.5)	(44.5)	22	(6.5)
Recurring Net Income	82	100	117	(18.2)	(29.6)	114	(27.9)
Reported Net Income	82	100	117	(18.0)	(30.3)	113	(27.7)
Ratios (%)							
EBITDA margin	6.5	12.3	14.1			13.3	
EBIT margin	0.0	5.7	8.1			6.8	
Effective tax rate	19.7	17.7	23.7			15.9	
Net profit margins	7.6	9.0	9.8			10.0	

Source: I-Sec research, Company data

Exhibit 2: Shareholding pattern

%	Sep'24	Dec'24	Mar'25
Promoters	51.6	53.3	53.3
Institutional investors	31.9	30.8	30.8
MFs and others	4.4	4.0	4.0
FII's	27.5	26.8	26.8
Others	16.5	15.9	15.9

Source: Bloomberg, I-Sec research

Exhibit 3: Price chart



Source: Bloomberg, I-Sec research

Financial Summary

Exhibit 4: Profit & Loss

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Net Sales	4,814	4,558	4,776	5,227
Operating Expenses	4,092	3,976	4,095	4,409
EBITDA	721	583	681	818
EBITDA Margin (%)	15.0	12.8	14.3	15.7
Depreciation & Amortization	284	293	337	360
EBIT	437	290	344	458
Interest expenditure	52	48	70	79
Other Non-operating Income	261	337	421	472
Recurring PBT	647	579	695	852
Profit / (Loss) from Associates	0	(1)	-	-
Less: Taxes	152	125	191	213
PAT	495	454	504	639
Less: Minority Interest	-	-	-	-
Extraordinaries (Net)	-	-	-	-
Net Income (Reported)	495	453	504	639
Net Income (Adjusted)	495	453	504	639

Source Company data, I-Sec research

Exhibit 5: Balance sheet

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Total Current Assets	3,641	2,984	3,080	3,788
of which cash & cash eqv.	3,374	1,613	2,727	3,401
Total Current Liabilities & Provisions	1,676	1,654	901	986
Net Current Assets	1,965	1,330	2,179	2,801
Investments	256	251	251	251
Net Fixed Assets	643	654	654	654
ROU Assets	-	-	-	-
Capital Work-in-Progress	-	-	-	-
Total Intangible Assets	247	200	200	200
Other assets	-	-	-	-
Deferred Tax Assets	-	-	-	-
Total Assets	3,344	2,953	3,494	4,136
Liabilities				
Borrowings	-	-	-	-
Deferred Tax Liability	-	-	-	-
provisions	-	2	13	14
other Liabilities	5	-	26	29
Equity Share Capital	111	108	108	108
Reserves & Surplus	2,804	2,308	2,812	3,451
Total Net Worth	2,915	2,416	2,920	3,558
Minority Interest	-	-	-	-
Total Liabilities	3,344	2,953	3,494	4,136

Source Company data, I-Sec research

Exhibit 6: Quarterly trend

(INR mn, year ending March)

	Jun-24	Sep-24	Dec-24	Mar-25
Net Sales	1206	1,155	1,114	1,083
% growth (YOY)	(2.2)	-5.0	-5.0	-9.2
EBITDA	202	173	137	71
Margin %	16.7	15.0	12.3	6.5
Other Income	68	86	70	113
Net Profit	140	133	100	82

Source Company data, I-Sec research

Exhibit 7: Cashflow statement

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Operating Cashflow	612	569	1,099	641
Working Capital Changes	28	68	609	36
Capital Commitments	(186)	394	(337)	(360)
Free Cashflow	798	175	1,437	1,001
Other investing cashflow	(140)	181	421	472
Cashflow from Investing Activities	(327)	575	84	112
Issue of Share Capital	2	2	-	-
Interest Cost	(132)	(111)	(70)	(79)
Inc (Dec) in Borrowings	-	(199)	-	-
Dividend paid	(111)	(111)	-	-
Others	(51)	(734)	-	-
Cash flow from Financing Activities	(292)	(1,154)	(70)	(79)
Chg. in Cash & Bank balance	(7)	(10)	1,113	674
Closing cash & balance	81	71	2,727	3,401

Source Company data, I-Sec research

Exhibit 8: Key ratios

(Year ending March)

	FY24A	FY25A	FY26E	FY27E
Per Share Data (INR)				
Reported EPS	20.7	19.0	21.1	26.7
Adjusted EPS (Diluted)	20.7	18.9	21.1	26.7
Cash EPS	32.6	31.2	35.2	41.8
Dividend per share (DPS)	2.0	2.0	2.0	2.0
Book Value per share (BV)	122.0	101.1	122.2	148.9
Dividend Payout (%)	10.4	9.5	10.5	13.4
Growth (%)				
Net Sales	5.6	(5.3)	4.8	9.5
EBITDA	7.0	(19.2)	16.9	20.2
EPS (INR)	0.0	(8.4)	11.0	26.7
Valuation Ratios (x)				
P/E	24.6	26.8	24.2	19.1
P/CEPS	15.6	16.3	14.5	12.2
P/BV	4.2	5.0	4.2	3.4
EV / EBITDA	11.9	17.7	13.5	10.4
P / Sales	2.5	2.7	2.6	2.3
Dividend Yield (%)	0.4	0.4	0.4	0.4
Operating Ratios				
Gross Profit Margins (%)	100.0	100.0	100.0	100.0
EBITDA Margins (%)	15.0	12.8	14.3	15.7
Effective Tax Rate (%)	23.4	21.6	27.5	25.0
Net Profit Margins (%)	10.3	10.0	10.6	12.2
NWC / Total Assets (%)	58.8	45.1	62.4	67.7
Net Debt / Equity (x)	(1.2)	(0.8)	(1.0)	(1.0)
Net Debt / EBITDA (x)	(5.0)	(3.2)	(4.4)	(4.5)
Profitability Ratios				
RoCE (%)	10.0	7.7	7.1	8.3
RoE (%)	18.2	17.0	18.9	19.7
RoIC (%)	19.7	18.4	20.8	21.5
Fixed Asset Turnover (x)	5.4	5.8	6.1	6.6
Inventory Turnover Days	0	0	6	6
Receivables Days	0	0	6	6
Payables Days	40	51	51	51

Source Company data, I-Sec research

This report may be distributed in Singapore by ICICI Securities, Inc. (Singapore branch). Any recipients of this report in Singapore should contact ICICI Securities, Inc. (Singapore branch) in respect of any matters arising from, or in connection with, this report. The contact details of ICICI Securities, Inc. (Singapore branch) are as follows: Address: 10 Collyer Quay, #40-92 Ocean Financial Tower, Singapore - 049315, Tel: +65 6232 2451 and email: navneet_babbar@icicisecuritiesinc.com, Rishi_agrawal@icicisecuritiesinc.com and Kadambari_balachandran@icicisecuritiesinc.com.

"In case of eligible investors based in Japan, charges for brokerage services on execution of transactions do not in substance constitute charge for research reports and no charges are levied for providing research reports to such investors."

New I-Sec investment ratings (all ratings based on absolute return; All ratings and target price refers to 12-month performance horizon, unless mentioned otherwise)
BUY: >15% return; ADD: 5% to 15% return; HOLD: Negative 5% to Positive 5% return; REDUCE: Negative 5% to Negative 15% return; SELL: < negative 15% return

ANALYST CERTIFICATION

I/We, Abhisek Banerjee, MBA; Jayram Shetty, CA; authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of the ICICI Securities Inc. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager, Research Analyst and Alternative Investment Fund. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. ICICI Securities AIF Trust's SEBI Registration number is IN/AIF3/23-24/1292 ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on www.icicibank.com.

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit icidirect.com to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Institutional Research.

The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the Retail Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances. This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities and ICICI Securities as a entity are engaged in various financial service businesses, they might have financial interests or actual/ beneficial ownership of one percent or more or other material conflict of interest in various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

This report has not been prepared by ICICI Securities, Inc. However, ICICI Securities, Inc. has reviewed the report and, in so far as it includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk free return to the investors.

ICICI Securities Limited has not used any Artificial Intelligence tools for preparation of this Research Report.

Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal, Contact number: 022-40701000, **E-mail Address** : complianceofficer@icicisecurities.com

For any queries or grievances: [Mr. Bhavesh Soni](#) Email address: headservicequality@icicidirect.com Contact Number: 18601231122
