

**Urban Company
Techno Funda
Stock Outlook**



Indbank

Merchant Banking Services Ltd
(A Subsidiary of Indian Bank)

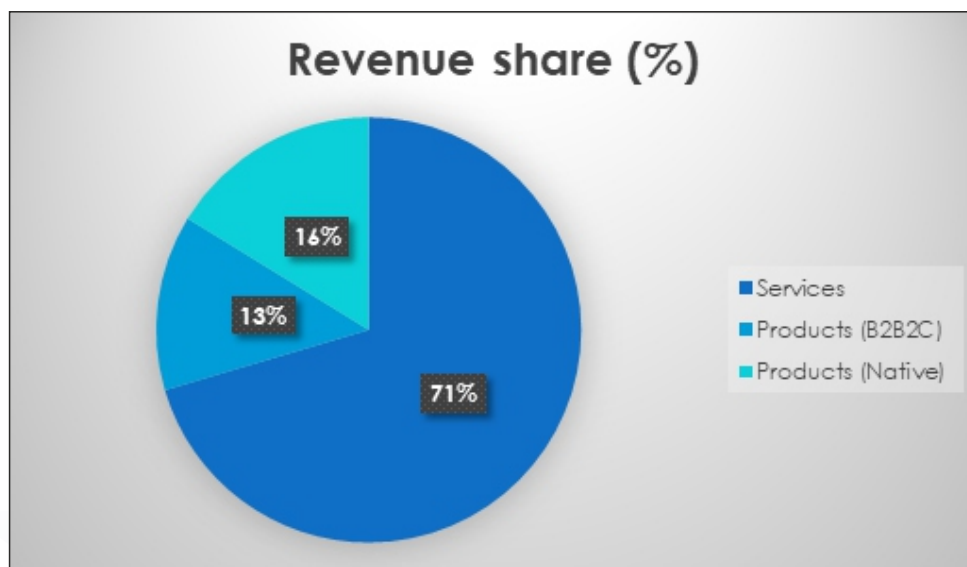
STOCK DETAILS	
NSE Scrip code	URBANCO
BSE Scrip code	544515
Market cap (in Cr)	16,713
52-week High/Low (in Rs)	201 / 96.4
Current Price	118
Price Target (in Rs)	140

BUSINESS DESCRIPTION

Urban Company (UC) is a tech-enabled home services marketplace connecting customers with professionals. The core idea behind its establishment was to make hiring home services as easy as ordering food.

KEY SERVICE CATEGORIES:

- Beauty & wellness (salon at home, spa)
- Home cleaning & pest control
- Appliance repair (AC, washing machine)
- Plumbing, electrical, carpentry
- Painting & home improvement

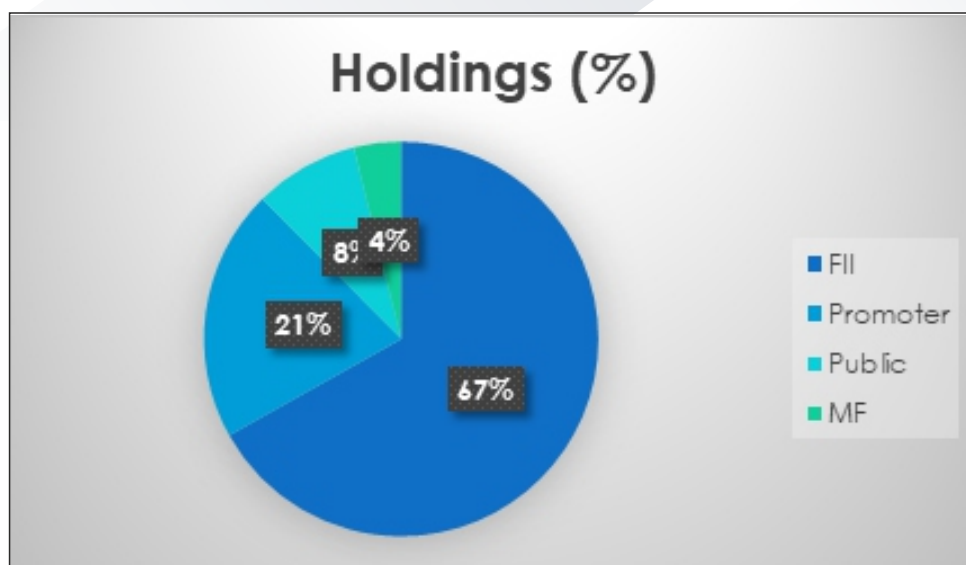


Commission from services is the major driver for the company

INDUSTRY SCENARIO:

India's home services market is in the range Rs 1.75-3 lac crore and is largely unorganized. It is currently dominated by local technicians and informal workers which makes quality inconsistent. This provides a big opportunity for organized platforms. India market growth cited at 10–11%,

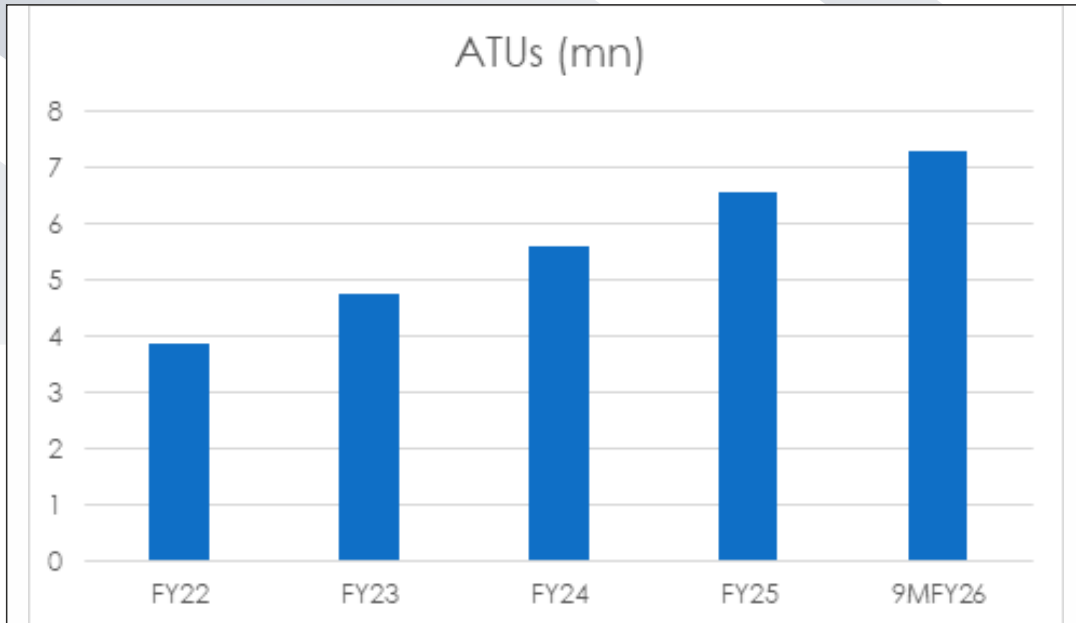
SHAREHOLDING PATTERN:



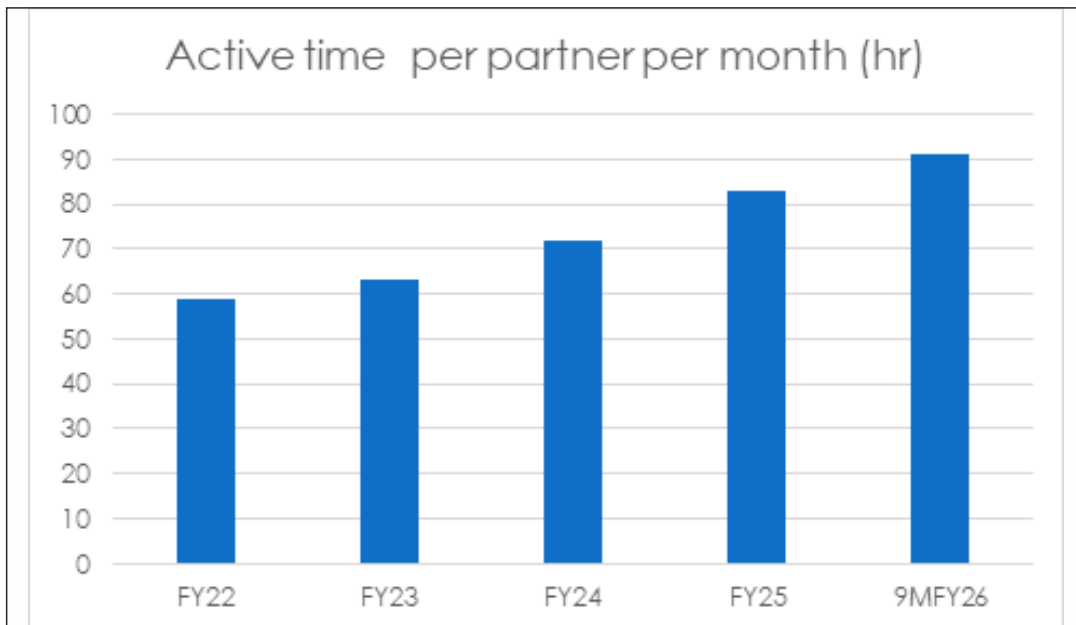
FINANCIAL HIGHLIGHTS

CONSOLIDATED INCOME STATEMENT (ANNUAL)

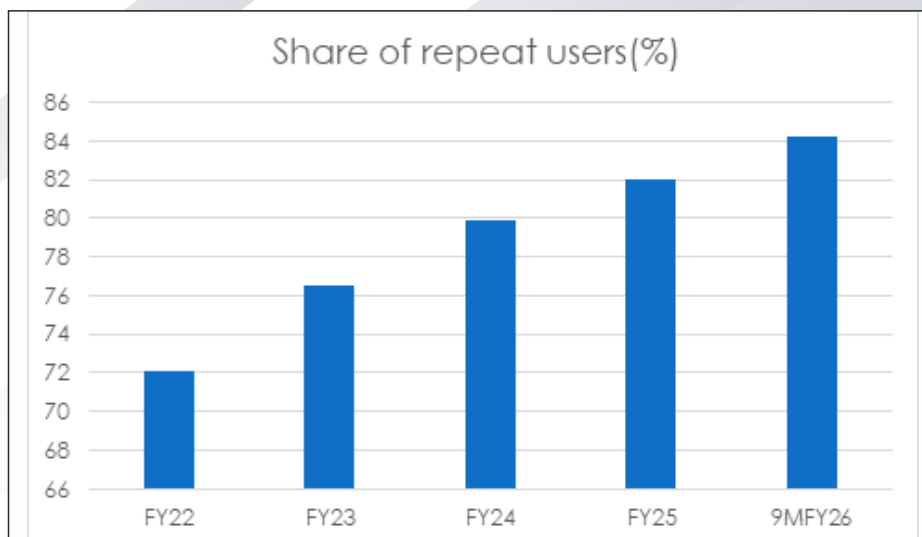
Rs. (Cr)	FY24	FY25	YoY
Revenue	828	1144	38.2%
Expenses	974	1184	21.6%
Operating Profit	-146	-40	72.7%
Other Income	100	116	
Depreciation	37	37	
Interest	10	11	
Profit before tax	-93	29	130.8%
Tax	0	-211	
Net profit	-93	240	358.5%
EPS	-4639	5	



Increasing Annual Transacting Users (ATUs) is a key growth lever. The platform has added 1 million ATUs annually in recent years, reaching 7.3 million as of December 2025.



Higher active hours per partner per month reflects better job allocation, reduced idle time, and stronger economic incentives to stay on platform.



Urban Company's repeat user contribution to total NTV has increased from 72% in FY22 to 84% in 9M FY26, reflecting strong customer retention, improving service consistency, and rising platform trust.

CONSOLIDATED INCOME STATEMENT (Q3FY26)

Rs. (Cr)	Q3FY25	Q2FY26	Q3FY26	yoy change
Sales	288	380	382.68	32.9%
Expenses	289.82	458.65	424.99	46.6%
Operating Profit	-2	-79	-42.31	-2126.8%
Other Income	30	33	36.1	
Depreciation	9	10	11.73	
Interest	3	3	3.11	
Profit before tax	16.38	-59.33	-21.05	-228.5%
Tax	-215	0	0.21	
Net profit	231.84	-59.33	-21.26	-109.2%
OPM	-1%	-21%	-11%	

- Strong growth across segments, but overall losses due to heavy investment in InstaHelp.
- Management clearly indicated continued investments will keep company loss-making in near term
- Loss reduced from ₹59 Cr (Q2) to ₹21 Cr (Q3)

Management expects an FY31 EBITDA target of around ₹1,000 Cr

- Driven by:
 - India core services (largest contributor)
 - International

- Native
- Minimal initial contribution from InstaHelp

KEY STRENGTHS

- Aggressive scaling + market leadership
- Strong platform engagement and quality.
- Strong demand combined with retention
- Core business profitable and scaling
- If executed well huge long-term upside possible in InstaHelp
- High repeat usage business if trust is established

WEAKNESS/CHALLENGES

- Growth is good, but sustainable profitability is missing so far
- Consolidated losses due to InstaHelp investments

INVESTMENT RATIONALE:

- UC is formalizing the home service market which is largely unorganized at the moment. Even a 10–15% formalization will unlock massive total addressable market.
- The company is ambitious about growing at least two times its market growth, mainly through better proposition, faster service, category/geography expansion, and new user acquisition.
- Annual EBITDA trajectory improving structurally

TECHNICAL ANALYSIS:

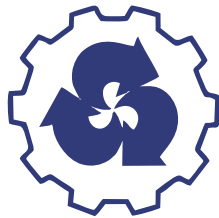


On daily charts, the stock is currently in a downtrend but has broken out from the channel and showing sign of a rebound. It can be entered for a near term target of 128 and medium to long term target of 140

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