GEPL

FSN E-COMMERCE VENTURES LTD.

Buy at CMP: Rs 329.6 | Target: Rs 370 (12%)| SL: Rs 312

Sector

Retailing

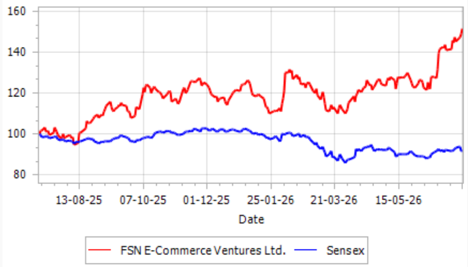
July 13, 2026

Script Details	
BSE Group	A
BSE Code	543384
NSE Code	NYKAA
Bloomberg Code	NYKAA IN
Market Cap (INR Cr.)	92,774
Free Float (%)	47.9%
52wk Low/High	326/200
Beta (1yr Nifty 50)	1.03
Face Value (INR)/ D. Yield (%)	1/0
Total paid Up Shares (Mn.)	2863.8

Share Holding Pattern (%)

FIIs	DIIs	Public
45.0%	20.8%	34.2%

Share Price Relative Performance



Invest now

NYKAA is a consumer technology platform, delivering a content-led, lifestyle retail experience to consumers. The company has a diverse portfolio of beauty, personal care and fashion products, including its owned brand products manufactured by it.

Investment Rationale

- **Demonstrated Path to Profitability and Operational Scalability :** Nykaa has successfully transitioned from a high-growth startup to a scaled, profitable enterprise, reaching the INR 10,000 crore ($1 billion) net revenue milestone in FY2026. The company has delivered mid-20s percentage growth for 14 consecutive quarters. Profitability has seen sharp improvements. In Q4 FY26, Nykaa reported its highest-ever EBITDA margin of 8.4%. More importantly, the Fashion vertical, which was previously a drag on earnings, reached EBITDA breakeven (positive 30 bps) in Q4 FY26.
- **High-Margin "House of Nykaa" Owned Brands Portfolio:** Nykaa is successfully transitioning from a pure-play retailer to a powerhouse of consumer brands, which provides a significant margin-accretive lever. The "House of Nykaa" portfolio reached an annualized GMV run rate of INR 3,500 crore by Q3 FY26. A standout performer, Dot & Key, grew 13x over a three-year period, becoming the #1 sunscreen brand across major platforms like Amazon, Flipkart, and Blinkit. Unlike traditional retailers, Nykaa is building standalone brands that resonate outside its own ecosystem. Approximately 44% of the Beauty brands' revenue comes from outside the Nykaa platform.
- **Dominant Omnichannel Ecosystem and "Partner of Choice" Status:** Nykaa has built a "moat" through its complex omnichannel infrastructure and its position as the preferred entry point for global giants in India. As of June 2026, Nykaa operates 324 physical stores across 99+ cities. This network serves not just as a point of sale but as "experience centers" and hyperlocal delivery hubs for its quick-commerce offering, Nykaa Now. The Nykaa Now service, offering delivery within 30 minutes to 2 hours, provides the largest beauty assortment in India for fast delivery, spanning from mass market to luxury brands. Global leaders like L'Oreal, Nike, and H&M have chosen Nykaa for exclusive launches and "full-stack" operations. For example, Nykaa runs the entire D2C digital operations for Nike (Nike.in and apps) and operates freestanding stores for Kiehl's and Charlotte Tilbury in India.
- **Valuations:** We model a Revenue/PAT CAGR of 25%/68% and estimate NYKAA to clock PAT of Rs 313 Cr by FY28E. NYKAA is trading at forward P/S(x) of 5.9 and we value at 6.6(x) FY28E and Recommend BUY on NYKAA with TP Price of Rs. 370 (12.3%).

Year	Revenue	EBITDA	PAT	Market Cap/Sales (x)
FY23	5,144	256	19	18
FY24	6,386	346	32	15
FY25	7,950	474	66	12
FY26	10,022	752	199	9
FY27E	12,528	1,002	251	7
FY28E	15,660	1,253	313	6

Source: Company Data, Ace Equity, GEPL Research

TECHNICAL VIEW

Observation

- NYKAA continues to exhibit a strong long-term bullish structure, maintaining a steady formation of higher tops and higher bottoms since its 2023 low.
- The stock is comfortably trading above its 12 week, 20 week , and 50 week EMAs, reflecting a strong underlying trend. Additionally, trading volumes have remained above the 20-week average, indicating sustained buying participation.
- On the current weekly chart, the stock has registered a decisive breakout above its 2022 swing high, signaling the continuation of the primary uptrend and highlighting its resilience amid broader market volatility.
- The MACD remains in positive territory, reinforcing the prevailing bullish momentum and supporting the potential for further upside.
- Given the positive alignment across multiple timeframes, Stock appears well-positioned to extend its upmove toward the 370 level. Traders may consider maintaining a closing-basis stop loss at 312 to effectively manage downside risk.

Source: Tradingview.in, GEPL Research

Inference & Expectations

- Considering these factors, it can be inferred that NYKAA stock is set to continue uptrend.
- Going ahead we expect the prices to move higher till 370 level.
- The stop loss must be at 312 level, strictly on the closing basis.

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