

Estimate change	↔
TP change	↓
Rating change	↔

Bloomberg	ITC IN
Equity Shares (m)	12524
M.Cap.(INRb)/(USDb)	5215.5 / 59.6
52-Week Range (INR)	500 / 390
1, 6, 12 Rel. Per (%)	4/-15/-9
12M Avg Val (INR M)	7002

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Sales	833.2	896.0	966.3
Sales Gr. (%)	8.6	7.5	7.8
EBITDA	279.9	305.1	327.1
EBITDA Mrg. %	33.6	34.1	33.8
Adj. PAT	213.7	232.5	248.9
Adj. EPS (INR)	17.1	18.6	19.9
EPS Gr. (%)	6.9	8.8	7.1
BV/Sh.(INR)	58.2	60.4	62.5
Ratios			
RoE (%)	29.9	31.3	32.4
RoCE (%)	29.4	30.9	32.0
Payout (%)	92.8	93.4	94.8
Valuations			
P/E (x)	24.4	22.4	21.0
P/BV (x)	7.2	6.9	6.7
EV/EBITDA (x)	17.1	15.6	14.5
Div. Yield (%)	3.8	4.2	4.5

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	0.0	0.0	0.0
DII	46.9	45.2	44.0
FII	38.0	39.9	40.5
Others	15.1	14.9	15.5

FII Includes depository receipts

CMP: INR416

TP: INR500 (+20%)

Buy

Healthy cigarette growth; margin weakness persists

- ITC sustained healthy performance in core segments in a tepid consumption environment, though margins remained under pressure. Gross cigarette sales grew 8% YoY (est. 6%) and volume growth was ~6% (vs. est. 5%). The premium cigarette segment continued to outperform. Cigarette EBIT grew by 4.6% YoY (est. 5.2% YoY). EBIT margin contracted 190bp YoY to 57.6% (est. 59%), impacted by the sharp escalation in the leaf tobacco cost.
- FMCG segment sales grew 5.5% YoY (ex-notebook 8.6%). Notebook industry continued to operate under deflationary conditions, while unseasonal rains during the quarter impacted beverages sales. Growth was driven by Staples, Dairy, Premium Personal Wash, Homecare and Agarbattis. EBIT declined 17% YoY. EBIT margin contracted by 180bp to 6.9% (in line).
- Agri business sales increased significantly by 39% YoY (est. 15%), driven by trading opportunities in bulk commodities and leaf tobacco exports. EBIT margin contracted by 45bp YoY to 4.5% (est. 6%).
- Paper business continued to struggle due to low-priced supplies into global markets (including India), subdued realizations and elevated wood prices. Revenue grew 7% and EBIT margin contracted 580bp to 7.2% (all-time low).
- ITC's core business growth has been steady, with cigarette growth coming in better than expected. Consistent focus on new launches, stable taxes and a variety of other initiatives led to 7% cigarette growth in FY25 and the momentum continued in 1QFY26. FMCG performance was below par in FY25, but with demand recovery, we expect improving trends. **We reiterate our BUY rating on ITC with our SOTP-based TP of INR500 (implying 26x Jun'27E P/E).**

Cigarette volume up ~6%, but FMCG and paper remain soft

- Consolidated performance (ex-hotel business):** ITC's 1QFY26 net revenue grew by 21% YoY to INR214.9b (est. INR194b), mainly led by cigarette and agri businesses. Gross margin contracted 700bp YoY to 52.4% (est. 58.7%), impacted by high food inflation and the rise of certain input costs (leaf, wood, etc.). EBITDA margin contracted 510bp YoY to 31.7% (est. 34.9%). EBITDA grew 4% YoY to INR68.2b (est. INR67.8b). PBT and APAT grew by 4% and 5%, respectively.
- Cigarette volumes up ~6%, with 5% EBIT growth:** Gross cigarette sales grew 8% YoY to INR95.5b (est. INR93.7b). Cigarette volume growth was ~6% (est. 5%). Differentiated and premium offerings continued to perform well. EBIT grew by 4.6% YoY to INR55b (est. INR55.3b). Cigarette EBIT margin contracted 190bp YoY to 57.6% (est. 59%). Consumption of high-cost leaf tobacco inventory weighed on margins. Procurement prices moderated in the current crop cycle.

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- **FMCG-Others** sales grew 5.5% YoY to INR58b (est. INR57.1b), while ex-notebook growth was 8.6%. Notebook industry continues to operate under deflationary conditions on account of low-priced paper imports and opportunistic play by local/regional players. Unseasonal rains during the quarter impacted beverages sales. EBIT declined 17% YoY to INR4b (est. INR4b) in 1QFY26. EBIT margin contracted by 180bp to 6.9% (est. 7%).
- **Agri business** sales increased significantly by 39% YoY to INR97.2b (est. INR80.5b). EBIT grew by 26% YoY to INR4.3b. EBIT margin contracted by 45bp YoY to 4.5% (est. 6%).
- **Paperboards** business sales grew 7% YoY to INR21.1b (est. INR20.7b). EBIT fell 41% YoY to INR1.5b and EBIT margin contracted 580bp YoY to 7.2% (est. 9%).
- **FoodTech Business**, a key growth area in ITC Next strategy, combines ITC's food science, FMCG brands, and culinary expertise to rapidly build a capital-efficient, tech-enabled full-stack platform with ~60 cloud kitchens in five cities currently. It achieved GMV of INR1b in FY25.

Valuation and view

- There is no material change in our EPS estimates for FY26 and FY27.
- ITC's core business of cigarettes saw steady performance. With stable taxes on cigarettes, we anticipate stable growth in this business. We model a 5% revenue CAGR in FY26-28.
- While the FMCG segment is seeing moderation due to multiple headwinds. ITC has historically enjoyed industry-leading growth due to several category drivers, e.g., a large unorganized mix, under-penetration, etc. With the overall demand environment expected to improve, we expect FMCG performance to improve in the coming quarters. We model an 11% revenue CAGR during FY26-28.
- If ITC sustains mid-single digit volume growth in cigarette, and FMCG business sees a recovery in FY26, we expect valuation re-rating. **We reiterate our BUY rating on ITC with our SOTP-based TP of INR500 (implying 26x Jun'27E P/E).**

Y/E March	Consol. Quarterly Performance (Reported)										(INR b)		
	FY25					FY26					FY25	FY26E	Var.
	1Q	2Q	3Q*	4Q*	1QE*	2QE*	3QE	4QE	FY25	FY26E			
Est. cigarette vol. gr. (%)	3.0	3.5	6.0	5.0	6.0	5.0	4.0	4.5	4.4	4.5	5.0		
Net Sales	184.6	207.4	187.9	187.7	214.9	215.3	203.0	200.0	767.5	833.2	194.0	10.8%	
YoY change (%)	7.5	16.7	4.3	4.7	16.5	3.8	8.0	6.6	8.3	8.6	5.1		
Gross Profit	111.7	115.9	108.3	110.3	112.6	126.0	121.8	127.0	446.2	487.4	113.9		
Margin (%)	60.5	55.9	57.6	58.8	52.4	58.5	60.0	63.5	58.1	58.5	58.7		
EBITDA	67.5	67.6	63.6	65.2	68.2	69.4	70.7	71.0	263.9	279.9	67.8	0.6%	
Growth (%)	1.2	4.8	-2.2	-1.6	1.0	2.6	11.2	8.9	0.5	6.1	0.5		
Margins (%)	36.6	32.6	33.9	34.7	31.7	32.2	34.8	35.5	34.4	33.6	34.9		
Depreciation	5.0	5.2	4.2	4.1	4.2	4.4	4.6	4.8	18.5	18.1	4.4		
Interest	0.1	0.2	0.1	0.1	0.2	0.1	0.1	0.1	0.5	0.5	0.1		
Other Income	6.9	6.2	6.0	6.4	6.8	6.8	6.6	7.1	25.5	27.3	7.2		
PBT	69.3	68.4	65.3	67.4	70.6	71.6	72.6	73.1	270.4	288.6	70.5	0.1%	
Tax	17.6	17.9	17.3	16.8	17.8	18.0	18.3	18.5	69.6	72.6	17.8		
Rate (%)	25.4	26.2	26.4	24.9	25.3	25.2	25.2	25.2	25.7	25.2	25.2		
Adj PAT	50.9	49.9	47.3	50.7	52.4	53.0	53.7	53.8	198.9	213.7	52.2	0.5%	
YoY change (%)	-0.2	2.0	-11.4	-0.9	3.0	6.1	13.5	6.0	-2.8	7.4	2.5		
Reported PAT	50.9	49.9	47.3	50.7	52.4	53.0	53.7	53.8	199.9	213.7	52.2	0.5%	

E: MOFSL estimate; *Excluding the hotel business data, therefore not comparable YoY

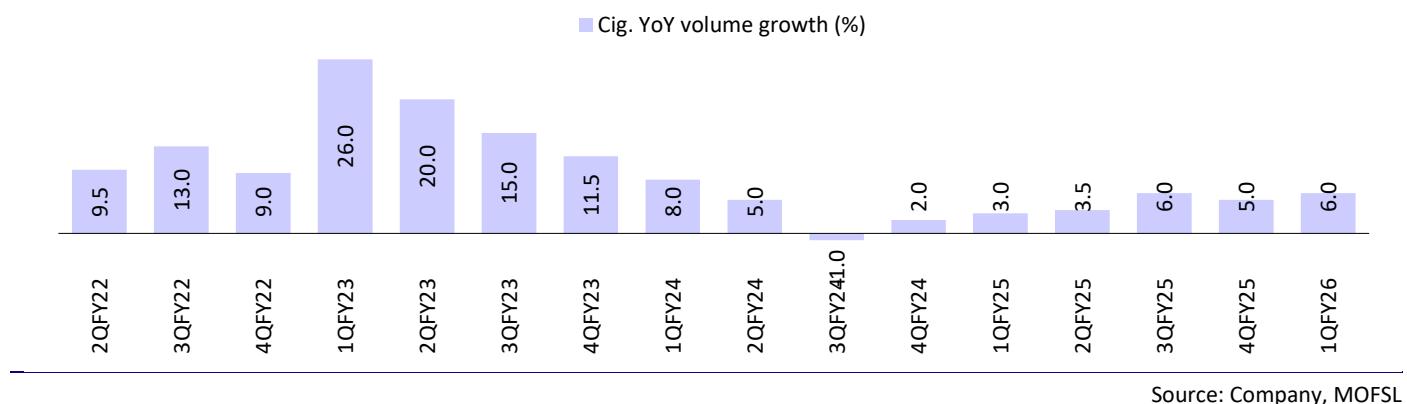
Consol. Quarterly Performance (Ex- hotel business)
(INR b)

(INR b)	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	FY24	FY25	FY26E
Est. cigarette vol. gr. (%)	-2.0	2.0	3.0	3.5	6.0	5.0	6.0	3.3	4.4	4.5
Net Sales	172.0	170.4	177.8	199.9	187.9	187.7	214.9	679.3	753.2	833.2
YoY change (%)					9.3	10.1	20.9	0.0	10.9	10.6
Gross Profit	102.3	105.3	105.7	109.2	108.3	110.3	112.6	409.5	433.4	487.4
Margin (%)	59.5	61.8	59.4	54.6	57.6	58.8	52.4	60.3	57.5	58.5
EBITDA	62.1	63.0	65.4	65.5	63.6	65.2	68.2	252.5	259.8	279.9
Growth (%)					2.4	3.4	4.2	0.0	2.9	7.8
Margins (%)	36.1	37.0	36.8	32.8	33.9	34.7	31.7	37.2	34.5	33.6
Depreciation	3.8	3.9	4.0	4.2	4.2	4.1	4.2	15.2	16.5	18.1
Interest	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.4	0.5	0.5
Other Income	6.5	6.8	6.8	6.1	6.0	6.4	6.8	26.9	25.3	27.3
PBT	64.6	65.9	68.1	67.3	65.3	67.4	70.6	263.9	268.2	288.6
Tax	12.3	15.8	17.3	17.6	17.3	16.8	17.8	62.1	68.9	72.6
Rate (%)	19.0	24.0	25.3	26.1	26.4	24.9	25.3	23.5	25.7	25.2
Adj PAT	51.7	49.4	50.1	49.2	47.3	50.7	52.4	199.0	197.3	213.7
YoY change (%)					-8.4	2.8	4.7	0.0	-0.8	8.3
Reported PAT	51.7	49.4	50.1	49.2	47.3	50.7	52.4	199.0	197.3	213.7

E: MOFSL estimate;

Cigarette volumes up ~6% YoY in 1QFY26

- **Gross cigarette** sales grew 8% YoY to INR95.5b (est. INR93.7b). Cigarette volume is likely to have grown 6% (est. 5%). Differentiated and premium offerings continued to perform well. EBIT grew by 4.6% YoY to INR55b (est. INR55.3b). Cigarette EBIT margin contracted 190bp YoY to 57.6% (est. 59%). Consumption of high-cost leaf tobacco inventory weighed on margins. Procurement prices moderated in the current crop cycle.
- ITC reinforced its market standing through strategic interventions in competitive markets and focused efforts to counter illicit trade. Premium and differentiated offerings, such as Classic Connect and Gold Flake Indie mint, continued to perform well.
- The sharp cost escalation in leaf tobacco was partly offset by an improved product mix, calibrated pricing actions, and strategic cost management. Trade marketing spending was restructured to enhance the last-mile execution and strengthen focus on key markets.
- Stability in cigarette taxes, coupled with enforcement actions against illicit trade, facilitated volume recovery for the legal cigarette industry. This boosted demand for Indian tobaccos and supported government revenue.
- The Union Budget 2025 has proposed amendments to the Central Goods and Services Tax Act, introducing a track-and-trace mechanism to enhance enforcement against illicit cigarette trade.

Exhibit 1: Cigarette volumes up ~6% YoY in 1QFY26


Source: Company, MOFSL

FMCG – Others: Subdued performance; margin pressure persists

- **FMCG-Others** sales grew 5.5% YoY to INR58b (est. INR57.1b), while ex-notebook growth was 8.6%. Notebook industry continues to operate under deflationary conditions on account of low-priced paper imports and opportunistic play by local/regional players. Unseasonal rains during the quarter impacted beverages sales.
- EBIT declined 17% YoY to INR4b (est. INR4b) in 1QFY26. EBIT margin contracted by 180bp to 6.9% (est. 7%).
- Growth was driven by categories such as atta, spices, snacks, frozen snacks, dairy, premium personal wash, homecare, and agarbatti.
- Severe inflationary pressures were seen across key inputs such as edible oil, wheat, maida, potato, cocoa, and packaging materials during the quarter. The sharp rise in input costs was partially mitigated through effective cost management, calibrated pricing actions, and premiumization.
- Continued investments in trade and marketing will support growth and market standing.

Exhibit 2: FMCG - Segmental EBITDA and EBITDA margins


Source: Company Presentation

Paperboards, Paper, and Packaging

- **Paperboards** business sales grew 7% YoY to INR21.1b (est. INR20.7b). EBIT declined 41% YoY to INR1.5b and EBIT margin contracted 580bp YoY to 7.2% (est. 9%).
- The paperboards, paper, and packaging segment faced challenges due to low-priced Chinese imports affecting global markets (including India), soft domestic demand, a surge in domestic wood costs, and subdued realizations due to increased competition and costs.
- Muted realizations and high wood prices continued to weigh on margins.
- Specialty Papers segment witnessed robust growth, driven by capacity augmentation in Décor paper.
- ITC focuses on accelerating plantation, developing new area, and satellite-based plantation monitoring to mitigate near-term challenges of unprecedented growth in wood prices.

Agri Business saw robust sales growth

- **Agri business** sales increased significantly by 39% YoY to INR97.2b (est. INR80.5b). EBIT grew by 26% YoY to INR4.3b. EBIT margin contracted by 45bp YoY to 4.5% (est. 6%).
- The company is demonstrating agile execution of trading opportunities by leveraging its multi-channel, digitally enabled agri-commodity sourcing network, ensuring responsiveness to market dynamics.
- Geopolitical volatility and climate-related disruptions have intensified concerns over food security and inflation; in response, the government reintroduced stock limits on wheat in Jun'25 to manage domestic supply and pricing.
- Growth in leaf tobacco exports is being driven by the company's crop development expertise, superior product quality, and long-standing customer relationships in international markets.
- The company is progressively scaling up exports of Nicotine and Nicotine derivative products, tapping into rising global demand and expanding its specialty chemicals portfolio.

FoodTech business

- FoodTech Business, a new vector of growth envisioned in the ITC Next strategy, leverages the company's institutional strengths in foods science & manufacturing, FMCG food brands and culinary expertise to tap into the fast-growing online food services segment.
- The initiative has scaled up rapidly in a capital-efficient manner since inception, setting new benchmarks in culinary innovation and tech-enabled operations; GMV crossed INR1b in FY25.
- The full-stack food-tech platform has already scaled up to appx. 60 cloud kitchens across five cities and is now being progressively introduced across India. It operates under four brands - ITC Master Chef Creations, ITC Aashirvaad Soul Creations, ITC Sunfeast Baked Creations and Sansho by ITC Master Chef.

Key exhibits

Exhibit 3: Segmental Information

Segmental Information	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Net sales (INR b)					
Cigarettes	88.4	88.8	89.4	92.3	95.5
FMCG - Others	55.0	55.9	54.3	55.0	58.0
Agri business	70.0	58.5	36.3	36.9	97.2
Paper and packaging	19.8	21.1	21.4	21.9	21.2
Sales growth (YoY)					
Cigarettes	5.8	6.6	7.8	6.2	8.0
FMCG - Others	6.3	5.3	4.0	3.7	5.5
Agri business	22.2	46.6	10.8	17.8	39.0
Paper and packaging	(6.8)	2.1	3.1	5.6	7.1
Volume growth (YoY)					
Cigarettes	3.0	3.5	6.0	5.0	6.0
EBIT (INR b)					
Cigarettes	52.6	52.4	51.9	54.0	55.0
FMCG - Others	4.8	4.4	3.2	3.5	4.0
Agri business	3.4	4.5	5.0	2.5	4.3
Paper and packaging	2.6	2.3	2.0	1.9	1.5
EBIT growth (YoY)					
Cigarettes	6.3	4.8	4.5	4.8	4.6
FMCG - Others	10.4	0.4	(26.1)	(27.9)	(16.7)
Agri business	(2.2)	24.5	30.3	35.5	26.1
Paper and packaging	(45.6)	(25.4)	(33.2)	(33.0)	(40.9)
EBIT margin (%)					
Cigarettes	59.4	59.0	58.0	58.5	57.6
FMCG - Others	8.7	8.0	5.9	6.3	6.9
Agri business	4.9	7.6	13.7	6.8	4.5
Paper and packaging	13.0	11.1	9.2	8.9	7.2
EBIT margin change (%)					
Cigarettes	0.3	(1.0)	(1.8)	(0.8)	(1.9)
FMCG - Others	0.3	(0.4)	(2.4)	(2.7)	(1.8)
Agri business	(1.2)	(1.4)	2.1	0.9	(0.5)
Paper and packaging	(9.3)	(4.1)	(5.0)	(5.1)	(5.8)

Valuation and view

- There is no material change in our EPS estimates for FY26 and FY27.
- ITC's core business of cigarettes saw steady performance. With stable taxes on cigarettes, we anticipate sustainable growth in this business. We model a 5% revenue CAGR in FY26-28.
- The FMCG segment is seeing moderation due to multiple headwinds. ITC has historically enjoyed industry-leading growth due to several category drivers, e.g., a large unorganized mix, under-penetration, etc. With the overall demand environment expected to improve, we expect FMCG performance to improve in the coming quarters. We model an 11% revenue CAGR during FY26-28.
- If ITC sustains mid-single digit volume growth in cigarette and the FMCG business sees recovery in FY26, we expect valuation re-rating. **We reiterate our BUY rating on ITC with our SOTP-based TP of INR500 (implying 26x Jun'27E P/E).**

Exhibit 4: No material change in our EPS estimates for FY26 and FY27

	New		Old		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Sales	833.2	896.0	814.2	876.3	2.3	2.3
EBITDA	279.9	305.1	279.4	301.8	0.2	1.1
PAT	213.7	232.5	213.3	230.0	0.2	1.1

Source: Company, MOFSL

Exhibit 5: P/E for ITC (x)

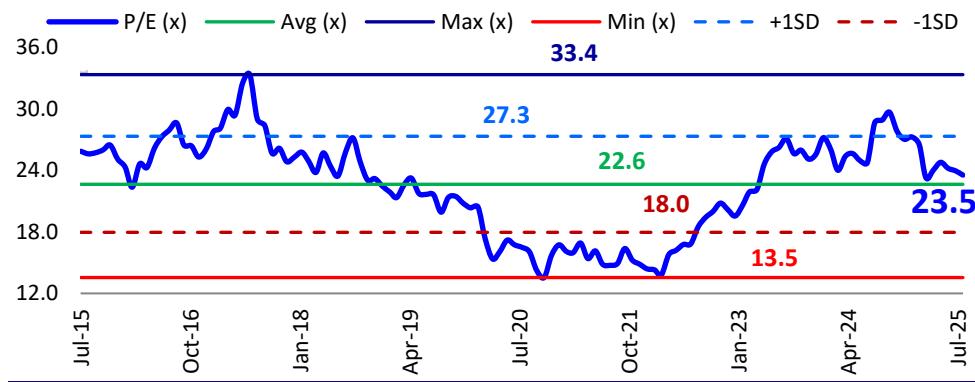
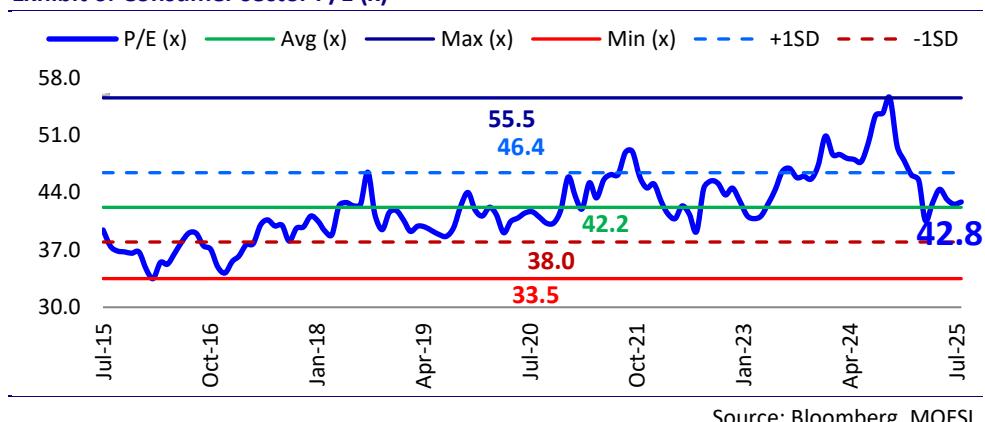


Exhibit 6: Consumer sector P/E (x)



Financials and valuations

Income Statement										(INR b)
Y/E March	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Net Sales	498.6	513.9	531.6	652.0	765.2	768.4	830.4	901.5	969.4	1,045.4
Excise duty	15.1	19.9	38.8	45.4	55.8	59.6	62.9	68.3	73.4	79.1
Total Revenue	483.5	494.0	492.7	606.7	709.4	708.8	767.5	833.2	896.0	966.3
Change (%)	11.3	2.2	-0.3	23.1	16.9	-0.1	8.3	8.6	7.5	7.8
Gross Profit	309.3	320.6	291.4	342.8	419.3	436.3	446.2	487.4	533.1	579.8
Margin (%)	64.0	64.9	59.1	56.5	59.1	61.6	58.1	58.5	59.5	60.0
Other operating expenditure	125.3	128.0	121.4	136.2	162.7	173.8	182.3	207.5	228.0	252.7
EBITDA	184.1	192.6	170.0	206.6	256.6	262.5	263.9	279.9	305.1	327.1
Change (%)	11.7	4.6	-11.7	21.5	24.2	2.3	0.5	6.1	9.0	7.2
Margin (%)	38.1	39.0	34.5	34.1	36.2	37.0	34.4	33.6	34.1	33.8
Depreciation	14.0	16.4	16.5	17.3	18.1	18.2	18.5	18.1	19.4	20.6
Int. and Fin. Charges	0.5	0.5	0.4	0.4	0.4	0.5	0.5	0.5	0.6	0.6
Other Inc. - Recurring	21.7	26.0	26.3	18.4	19.8	27.3	25.5	27.3	29.2	31.2
Profit before Taxes	191.4	201.6	179.5	207.2	257.9	271.2	270.4	288.6	314.3	337.0
Change (%)	12.7	5.3	-11.0	15.5	24.5	5.1	-0.3	6.7	8.9	7.2
Margin (%)	39.6	40.8	36.4	34.2	36.4	38.3	35.2	34.6	35.1	34.9
Tax	61.9	48.5	44.6	53.1	64.5	61.7	69.6	72.6	79.1	84.8
Deferred Tax	1.2	-4.0	0.9	-0.7	-0.1	2.2	0.0	0.0	0.0	0.0
Tax Rate (%)	33.0	22.0	25.4	25.3	25.0	23.6	25.7	25.2	25.2	25.2
Profit after Taxes	124.6	152.7	130.3	150.6	186.8	204.6	199.9	213.7	232.5	248.9
Change (%)	15.3	22.5	-14.6	15.5	24.1	9.5	-2.3	6.9	8.8	7.1
Margin (%)	25.8	30.9	26.4	24.8	26.3	28.9	26.1	25.6	25.9	25.8
Reported PAT	127.9	146.0	131.6	152.4	191.4	204.6	198.9	213.7	232.5	248.9

Balance Sheet										(INR b)
Y/E March	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Share Capital	12.3	12.3	12.3	12.3	12.4	12.5	12.5	12.5	12.5	12.5
Reserves	579.2	640.4	585.6	602.4	679.1	732.6	687.8	715.6	743.5	769.0
Net Worth	591.4	652.7	597.9	614.8	691.6	745.1	700.3	728.1	756.0	781.5
Loans	0.1	0.1	0.1	0.1	0.4	0.1	0.9	1.0	1.1	1.2
Deferred Liability	19.9	15.7	16.8	16.1	15.8	20.7	20.7	20.7	20.7	20.7
Capital Employed	611.4	668.5	614.8	630.9	707.7	765.9	721.9	749.8	777.8	803.4
Gross Block	324.4	364.2	396.5	423.4	457.6	476.6	436.3	463.8	494.7	525.6
Less: Accum. Depn.	130.6	147.0	163.5	180.8	198.9	217.1	216.7	234.8	254.2	274.8
Net Fixed Assets	193.8	217.2	233.1	242.6	258.7	278.3	219.6	229.0	240.6	250.8
Capital WIP	41.3	32.5	40.0	32.0	29.8	28.5	10.9	8.7	7.0	5.6
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Investments	250.4	286.6	248.7	248.4	294.2	311.1	347.2	362.2	377.2	392.2
Current	133.5	179.5	148.5	122.6	172.3	129.4	162.9	177.9	192.9	207.9
Non-current	117.0	107.2	100.2	125.8	121.8	181.7	184.3	184.3	184.3	184.3
Curr. Assets, L&A	231.8	236.8	210.2	239.2	275.6	299.6	298.1	319.4	340.3	361.7
Inventory	79.4	89.7	104.0	108.6	117.7	141.5	156.4	150.6	158.9	169.7
Account Receivables	40.4	25.6	25.0	24.6	29.6	40.3	47.2	48.3	51.1	55.1
Cash and Bank Balance	41.5	72.8	41.0	36.8	48.8	72.2	40.1	58.9	65.6	68.9
Others	70.5	48.7	40.2	69.2	79.5	45.6	54.4	61.6	64.7	67.9
Curr. Liab. and Prov.	102.5	100.8	113.8	127.6	146.8	147.8	150.2	162.3	175.9	191.0
Account Payables	35.1	36.3	43.2	44.2	46.6	48.0	48.1	52.9	56.9	61.4
Other Liabilities	62.7	59.9	65.3	75.7	98.6	98.2	100.8	107.8	117.2	127.5
Net Current Assets	129.3	136.0	96.4	111.6	128.8	151.8	147.9	157.1	164.3	170.7
Application of Funds	614.9	672.3	618.2	634.6	711.5	769.7	725.6	757.0	789.0	819.3

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Basic (INR)										
EPS	10.2	12.4	10.6	12.2	15.0	16.4	16.0	17.1	18.6	19.9
Cash EPS	11.3	13.8	11.9	13.6	16.5	17.8	17.5	18.5	20.1	21.5
BV/Share	48.2	53.1	48.6	49.9	55.6	59.7	56.0	58.2	60.4	62.5
DPS	5.8	10.2	10.8	11.5	15.5	13.8	14.4	15.9	17.4	18.9
Payout %	66	85	101	93	101	84	90	93	93	95
Valuation (x)										
P/E	41.0	33.6	39.4	34.1	27.7	25.4	26.1	24.4	22.4	21.0
Cash P/E	36.9	30.3	35.0	30.6	25.3	23.4	23.9	22.5	20.7	19.4
EV/Sales	9.9	9.4	9.3	7.6	6.4	6.3	5.8	5.3	4.9	4.5
EV/EBITDA	26.7	25.2	28.9	23.8	19.0	18.4	18.3	17.1	15.6	14.5
P/BV	8.6	7.9	8.6	8.4	7.5	7.0	7.5	7.2	6.9	6.7
Dividend Yield (%)	1.4	2.4	2.6	2.8	3.7	3.3	3.4	3.8	4.2	4.5
Return Ratios (%)										
RoE	22.3	24.5	20.8	24.8	28.6	28.5	27.7	29.9	31.3	32.4
RoCE	22.2	24.6	20.9	24.9	29.0	28.2	27.0	29.4	30.9	32.0
RoIC	44.0	49.5	40.8	47.2	55.2	54.2	53.8	60.9	66.0	69.0
Working Capital Ratios										
Debtor (Days)	25	24	19	15	14	18	21	21	20	0
Asset Turnover (x)	0.8	0.8	0.9	1.0	1.1	1.0	1.2	1.2	1.2	1.3

Cash Flow Statement (INR b)										
Y/E March	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
OP/(loss) before Tax	191.5	200.3	179.5	207.2	259.2	271.4	269.3	288.6	314.3	337.0
Financial other income	-4.2	-8.0	-0.1	0.2	-3.0	-6.6	-7.0	1.2	1.3	1.4
Depreciation and Amort.	14.0	16.4	16.5	17.3	18.1	18.2	19.5	18.1	19.4	20.6
Interest Paid	-12.7	-14.7	-15.3	-6.9	-15.3	-16.6	-14.6	-19.4	-21.0	-22.6
Direct Taxes Paid	-58.0	-50.2	-44.6	-53.1	-62.5	-61.2	-63.5	-72.6	-79.1	-84.8
Incr in WC	-4.8	3.0	6.1	-18.5	-7.7	-33.4	-27.4	9.6	-0.5	-3.0
CF from Operations	125.8	146.9	142.0	146.3	188.8	171.8	176.3	225.4	234.4	248.5
Other items	-27.4	44.7	14.6	3.5	24.0	42.0	-26.1	19.4	21.0	22.6
Incr Decr in FA	31.4	24.1	39.9	18.8	26.9	34.6	21.0	25.3	29.2	29.5
Free Cash Flow	94.4	122.8	102.2	127.5	161.8	137.2	155.2	200.1	205.3	219.0
Pur of Investments	-14.2	54.4	-37.9	-0.3	43.7	-29.6	-9.2	15.0	15.0	15.0
CF from Invest.	-44.6	-33.8	12.7	-15.0	-46.7	37.1	-38.0	-20.9	-23.2	-21.9
Issue of shares	9.7	6.3	0.0	0.0	24.8	14.4	8.0	0.0	0.0	0.0
Incr in Debt	-0.1	0.0	0.0	0.0	-0.6	-0.6	-0.3	0.1	0.1	0.1
Net Interest Paid	1.0	0.4	0.0	0.0	0.4	0.5	0.5	0.0	0.0	0.0
Dividend Paid	77.3	87.1	186.5	135.6	154.0	199.0	177.6	185.8	204.6	223.4
Others	0.0	-0.5	0.0	0.0	0.1	0.1	0.1	0.0	0.0	0.0
CF from Fin. Activity	-68.7	-81.8	-186.4	-135.6	-130.1	-185.5	-170.4	-185.7	-204.5	-223.3
Incr of Cash	12.5	31.3	-31.7	-4.3	12.0	23.4	-32.1	18.8	6.7	3.4
Add: Opening Balance	29.0	41.5	72.8	41.0	36.8	48.8	72.2	40.1	58.9	65.6
Closing Balance	41.5	72.8	41.0	36.8	48.8	72.2	40.1	58.9	65.6	68.9

E: MOFSL Estimates

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