31 Oct 2025

2QFY26 Results Update | Sector: Consumer

# LT Foods

| | |
|---|---|
| Estimate change | ↓ |
| TP change | ⟷ |
| Rating change | ⟷ |

| | |
|---|---|
| Bloomberg | LTFOODS IN |
| Equity Shares (m) | 347 |
| M.Cap.(INRb)/(USDb) | 146 / 1.6 |
| 52-Week Range (INR) | 519 / 288 |
| 1, 6, 12 Rel. Per (%) | -1/16/1 |
| 12M Avg Val (INR M) | 398 |

**Financials & Valuations (INR b)**

| Y/E Mar | FY26E | FY27E | FY28E |
|---|---|---|---|
| Sales | 109.3 | 122.9 | 136.0 |
| EBITDA | 12.3 | 14.7 | 16.6 |
| Adj. PAT | 7.1 | 9.4 | 11.0 |
| EBITDA Margin (%) | 11.3 | 11.9 | 12.2 |
| Cons. Adj. EPS (INR) | 20.5 | 26.9 | 31.8 |
| EPS Gr. (%) | 17.6 | 31.3 | 18.1 |
| BV/Sh. (INR) | 126.5 | 148.4 | 175.2 |
| **Ratios** | | | |
| Net D:E | 0.1 | 0.0 | -0.1 |
| RoE (%) | 17.3 | 19.6 | 19.7 |
| RoCE (%) | 16.0 | 18.3 | 19.2 |
| **Valuations** | | | |
| P/E (x) | 20 | 16 | 13 |
| EV/EBITDA (x) | 12 | 10 | 9 |

**Shareholding pattern (%)**

| As on | Sep-25 | Jun-25 | Sep-24 |
|---|---|---|---|
| Promoter | 51.0 | 51.0 | 51.0 |
| DII | 8.3 | 7.2 | 5.8 |
| FII | 10.1 | 10.2 | 8.0 |
| Others | 30.5 | 31.6 | 35.2 |

Note: FII includes depository receipts

**CMP: INR421 TP: INR550 (+31%) Buy**

## Volume growth continues to drive revenue

**Earnings in line**

- LT Foods (LTFOODS) reported a strong quarter with revenue growth of 31% in 2QFY26, led by 36% YoY growth in Basmati and Other Specialty Rice (branded business volume up 26% YoY). Normalized growth is ~15%, excluding Golden Star integration and the US tariff-related price hikes. Organic and RTC segments grew 21% and 9% in 2QFY26, respectively.
- Demand remained strong across regions, with volume likely to grow in the double digits for FY26. The US market is expected to see some uncertainty due to tariffs, while other regions are expected to see good growth in 2HFY26. Margin is expected to be under pressure due to the tariff impact, integration of Golden Star, and plant ramp-up in the EU.
- Factoring in this, we cut our FY26 earnings by 6% while broadly retaining our FY27E/FY28E earnings. **We reiterate our BUY rating on the stock with a TP of INR550 (premised on 20x FY27E EPS).**

## Margins under pressure due to higher ad spending and strategic investments

- In 2QFY26, LTFOODS's consolidated revenue stood at INR27.7b (+31% YoY, +12% QoQ) (est. INR26b). EBITDA grew 35%/17% YoY/QoQ to INR3.1b (est. of INR2.9b). EBITDA margin expanded 30bp/40bp YoY/QoQ to 11.2% (est. 11%), led by a gross margin expansion of 80bp YoY, offset by a 60bp YoY increase in other expenses. Adj. PAT grew 10% YoY, while declining 3% QoQ to INR1.6b (in line) for the quarter.
- **The Basmati & Other Specialty Rice segment's** revenue grew 36% YoY (including the Golden Star acquisition), led by strong demand across geographies. Gross margin expanded 300bp YoY to 34%, and EBITDA margin expanded 100bp YoY to 13%, while volumes grew 26%. India business grew 13% YoY, while the International business grew 47% YoY, led by the integration of Golden Star and tariff-related price increases.
- **Organic Foods'** revenue grew 21% YoY. Gross/EBITDA margins contracted 1100bp/800bp YoY to 33%/3.9% due to the higher initial cost of commissioning a new plant in Europe. The **RTC segment** revenue grew 9% YoY, mainly due to the strong performance of the Dawat Biryani Kit and the introduction of the Thai Green Curry kit. Gross margin dipped 1,100bp to 31%, and operating loss stood at INR72m, led by a rise in brand investments.
- In 1HFY26, its revenue/EBITDA/Adj. PAT grew 25%/22%/10% YoY to INR52.3b/INR5.7b/INR3.3b. Region-wise, India/North America/EU grew 13%/47%/31%, while the Middle East declined 18% for 1HFY26. For 2HFY26, our implied revenue/EBITDA/Adj. PAT growth is ~27%/29%/25%.

## Highlights from the management commentary

- **Acquisition in Hungary**: LTFoods entered into the EUR15b European processed canned food market via the acquisition of Global Green. The acquisition is at an EV of ~EUR25m, financed largely by debt on an all-cash basis. This acquisition strengthens the company's footprint across Central & Southern Europe.

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- **Organic business:** LTFoods entered the B2C segment in Europe with the inauguration of a new facility in Rotterdam. With an initial investment of INR200m, a further INR150m over the next three years. LTFoods is expecting incremental revenue of INR4b over the next five years, with expected revenue acceleration from FY26-27.
- **Working capital days** improved by 21 days vs. Sep'24, led by higher payable days by 15. An increase in payables days was on account of better negotiation with vendors.

## Valuation and view

- LTFOODS reported a strong performance in 1HFY26, fueled by growth in both India and international markets. We expect this momentum to continue, led by 1) strong demand in the Indian market, led by a continued shift from the unorganized to organized players and increased consumption of basmati rice, 2) increasing demand in global markets, 3) new plants and partnerships with the top four retail chains in the EU, and 4) the rising global adoption of basmati rice.
- We estimate a revenue/EBITDA/adj. PAT CAGR of 16%/19%/22% over FY25-28. **We reiterate our BUY rating** with a TP of INR550 (based on 20x FY27E EPS).

**Consolidated - Quarterly Earnings Model** **(INR m)**

| Y/E March | FY25 | | | | FY26E | | | | FY25 | FY26E | FY26 | Var |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | | 2QE | |
| **Gross Sales** | **20,705** | **21,078** | **22,748** | **22,284** | **24,639** | **27,657** | **28,959** | **28,051** | **86,815** | **1,09,307** | **25,958** | **7%** |
| YoY Change (%) | 16.4 | 6.6 | 17.2 | 7.4 | 19.0 | 31.2 | 27.3 | 25.9 | 11.7 | 25.9 | 23.2 | |
| Total Expenditure | 18,296 | 18,785 | 20,250 | 19,701 | 21,985 | 24,563 | 25,758 | 24,690 | 77,032 | 96,997 | 23,095 | |
| **EBITDA** | **2,409** | **2,293** | **2,498** | **2,583** | **2,654** | **3,094** | **3,201** | **3,361** | **9,783** | **12,310** | **2,863** | **8%** |
| Margins (%) | 11.6 | 10.9 | 11.0 | 11.6 | 10.8 | 11.2 | 11.1 | 12.0 | 11.3 | 11.3 | 11.0 | |
| Depreciation | 420 | 448 | 458 | 531 | 523 | 599 | 610 | 630 | 1,857 | 2,362 | 530 | |
| Interest | 187 | 196 | 236 | 257 | 280 | 280 | 230 | 200 | 877 | 990 | 235 | |
| Other Income | 175 | 263 | 134 | 313 | 371 | 67 | 110 | 130 | 885 | 678 | 150 | |
| **PBT before EO expense** | **1,977** | **1,911** | **1,938** | **2,107** | **2,221** | **2,283** | **2,471** | **2,661** | **7,934** | **9,636** | **2,248** | |
| Extra-Ord expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| **PBT** | **1,977** | **1,911** | **1,938** | **2,107** | **2,221** | **2,283** | **2,471** | **2,661** | **7,934** | **9,636** | **2,248** | |
| Tax | 530 | 494 | 525 | 554 | 598 | 653 | 642 | 692 | 2,102 | 2,585 | 585 | |
| Rate (%) | 26.8 | 25.8 | 27.1 | 26.3 | 26.9 | 28.6 | 26.0 | 26.0 | 26.5 | 26.8 | 26.0 | |
| Minority Interest & Profit/Loss of Asso. Cos. | -84 | -66 | -19 | -52 | -62 | -8 | 0 | 0 | -222 | -70 | 0 | |
| **Reported PAT** | **1,532** | **1,484** | **1,433** | **1,605** | **1,685** | **1,639** | **1,828** | **1,969** | **6,053** | **7,121** | **1,664** | |
| **Adj PAT** | **1,532** | **1,484** | **1,433** | **1,605** | **1,685** | **1,639** | **1,828** | **1,969** | **6,053** | **7,121** | **1,664** | **-2%** |
| YoY Change (%) | 11.4 | -7.2 | -5.2 | 7.9 | 10.0 | 10.4 | 27.6 | 22.7 | 1.3 | 17.6 | 12.1 | |
| Margins (%) | 7.4 | 7.0 | 6.3 | 7.2 | 6.8 | 5.9 | 6.3 | 7.0 | 7.0 | 6.5 | 6.4 | |

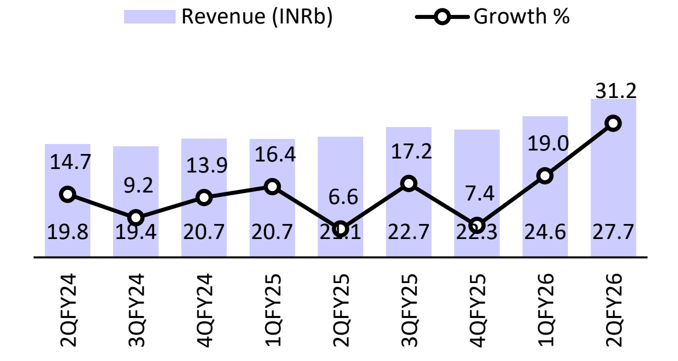
## Key Operating Metrics

| Y/E March | FY25 | | | | FY26 | | FY25 | FY26 |
|---|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | | |
| **Revenue** | | | | | | | | |
| Basmati & Other Specialty Rice | 17,940 | 17,370 | 19,350 | 19,550 | 21,240 | 23,640 | 74,210 | 94,569 |
| Domestic | 6,130 | 5,650 | 6,330 | 6,099 | 6,820 | 6,410 | 24,209 | 26,532 |
| International | 11,810 | 11,720 | 13,020 | 13,451 | 14,420 | 17,230 | 50,001 | 68,037 |
| Organic Foods | 2,220 | 2,390 | 2,400 | 2,290 | 2,930 | 2,900 | 9,300 | 11,412 |
| Convenience & Health Segment | 560 | 440 | 430 | 450 | 470 | 480 | 1,880 | 1,972 |
| **Revenue Growth %** | | | | | | | | |
| Basmati & Other Specialty Rice | 18.6 | 3.5 | 19.2 | 9.0 | 18.4 | 36.1 | 12 | 27 |
| Domestic | 33.3 | 14.1 | 14.1 | 7.0 | 11.3 | 13.5 | 16 | 10 |
| International | 12.2 | -1.0 | 21.9 | 10.0 | 22.1 | 47.0 | 10 | 36 |
| Organic Foods | 33.7 | 49.4 | 26.3 | 10.1 | 32.0 | 21.3 | 28 | 23 |
| Convenience & Health Segment | 36.6 | -13.7 | -15.7 | -23.7 | -16.1 | 9.1 | -7 | 5 |
| **Gross Profit Margins %** | | | | | | | | |
| Basmati & Other Specialty Rice | 32.4 | 31.0 | 32.4 | 36.0 | 34.0 | 34.0 | 33.0 | 35.1 |
| Organic Foods | 41.8 | 44.0 | 42.6 | 39.0 | 35.0 | 33.0 | 41.9 | 34.5 |
| Convenience & Health Segment | 36.9 | 42.0 | 41.1 | 38.0 | 37.0 | 31.1 | 39.3 | 35.1 |
| **EBITDAM %** | | | | | | | | |
| Basmati & Other Specialty Rice | 12.9 | 12.0 | 11.7 | 14.0 | 13.0 | 13.0 | 12.7 | 12.9 |
| Organic Foods | 11.7 | 12.0 | 11.8 | 10.0 | 10.0 | 3.9 | 11.4 | 6.6 |
| Convenience & Health Segment | -3.4 | -9.0 | -9.8 | -5.0 | -5.0 | -14.9 | -6.6 | -7.4 |

(INR m)

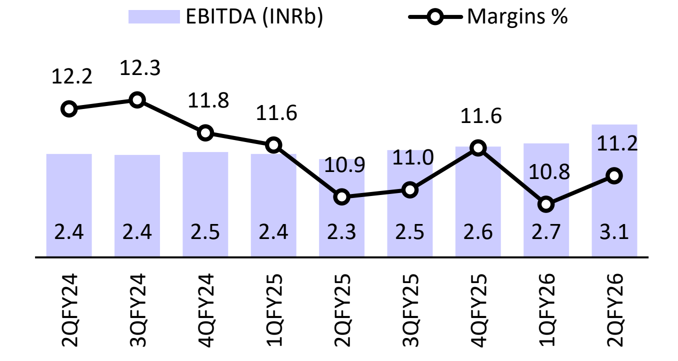
# Key Exhibits

### Exhibit 1: Consolidated revenue trend



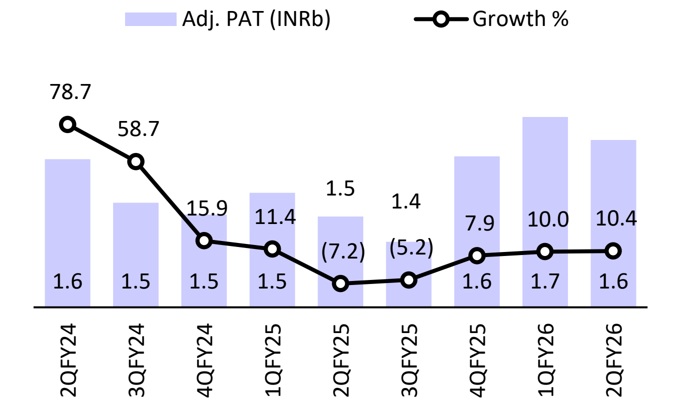

Source: Company, MOFSL

### Exhibit 2: Consolidated EBITDA trend



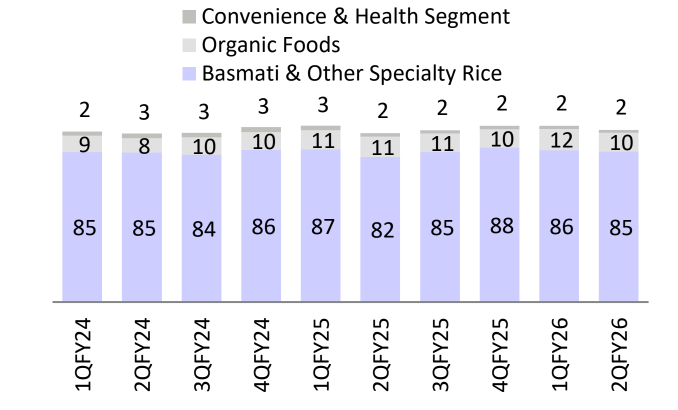

Source: Company, MOFSL

### Exhibit 3: Consolidated adj. PAT trend



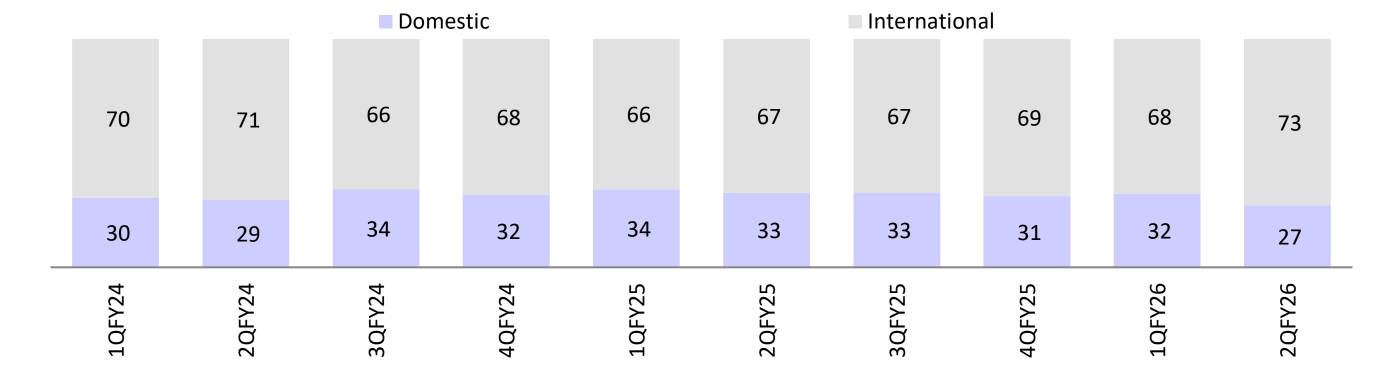

Source: Company, MOFSL

### Exhibit 4: Segment-wise revenue mix




Source: Company, MOFSL

### Exhibit 5: Domestic and international revenue split of Basmati and Other Specialty Rice




Source: MOFSL, Company

CONFERENCE CALL

## Highlights from the management commentary

### Industry and Domestic Scenario

- The Basmati and specialty rice market in India/NA/Europe+UK/ME is estimated at ~INR500b/INR250b/INR75b/INR400b with expected Industry CAGR of ~7-9%/10-12%/4-6%/9-10%.
- LTFoods contributes 7-8% of the total basmati rice production in India, with production at par with the previous year.
- India constitutes 30% of revenue, with LTFoods having a 26% market share.
- The company is investing heavily to create a brand image in the Indian market.

### Guidance

- LTFoods is expecting to achieve a 14% EBITDA margin in the next four years.
- The US tariff impact is expected to be clear in two months.

### International business

- Golden Star continues to remain the number one Jasmine rice brand
- NA accounts for 46% of revenue for LTFoods and continues to be a key growth driver, with a 47% YoY revenue growth (16% normalized)
- Europe and the UK constituted 15% of overall revenue, driven by rising demand and expanding market reach
- The EMEA constituted 9% of the revenue (-18% YoY)

### Acquisition in Hungary

- LTFoods entered into the EUR15b European processed canned food market via the acquisition of Global Green. The Acquisition was at an EV of ~EUR25m, financed largely by debt on an all-cash basis.
- Intangible value is ~EUR6-7m with the business having overall lower operational costs. This acquisition adds an est. EUR40m revenue.
- LTFoods has signed the SHA and is awaiting approval from the Hungarian government.
- This acquisition strengthens the Company’s footprint across Central & Southern Europe.

### Organic business

- The organic business is continuing its momentum, with a 21% growth in 2QFY26, driven by increasing consumer preference for healthier and sustainable food choices.
- Nature Bio Foods Limited has entered the B2C segment in Europe with the inauguration of a new facility in Rotterdam. With an initial investment of INR200m, further INR150m is planned to be deployed over the next three years. LTFoods is expecting incremental revenue of INR4000m by the next five years, with expected revenue acceleration from FY26-27.
- In 1HFY26, LTFoods outsourced operations to a third party as the company is building its private label business, which impacted the margins. The Company is expecting margin recovery from 4QFY26.

## RTH and RTC

- LTFoods expanded its folio with the launch of Dawat Thai Green Curry Rice Kit, and the introduction of the Thai Green Curry kit was followed by a strong performance of Dawat Biryani Kit, which has crossed 1 million units of annual consumption since its inception.
- Heavy promotions and brand investments resulted in Margins decline for this segment.
- LTFoods faced a capacity constraint due to the production delay of the second unit of the RTC capacity setup in the US. Capacity improvements expected from 4QFY26.

## Other

- The Company achieved the highest Revenue in the 2QFY26/1HFY26, led by strategic investments, improved distribution channels, and increasing consumer demand.
- CVD's public hearing was conducted for Ecopure Specialities Ltd; final determination postponed by 1 month; expected by 17th Nov 25.
- Trade payable days increased by 15 days YoY on account of better negotiation with suppliers.
- The US tariffs are being passed down to customers (initial 10% passed; for 20-50% duty, negotiations ongoing)
- LTFoods India's business is cash-surplus; the international business is financed by short-term borrowings.

## Valuation and view

- LTFOODS reported a strong performance in 1HFY26, fueled by growth in both India and international markets. We expect this momentum to continue, led by 1) strong demand in the Indian market, led by a continued shift from the unorganized to organized players and increased consumption of basmati rice, 2) increasing demand in global markets, 3) new plants and partnerships with the top four retail chains in the EU, and 4) the rising global adoption of basmati rice.
- We estimate a revenue/EBITDA/adj. PAT CAGR of 16%/19%/22% over FY25-28. **We reiterate our BUY rating** with a TP of INR550 (based on 20x FY27E EPS).

**Exhibit 6: Changes to our estimates**

| | Old | | | New | | | Change | | |
|---|---|---|---|---|---|---|---|---|---|
| (INR m) | FY26E | FY27E | FY28E | FY26E | FY27E | FY28E | FY26E | FY27E | FY28E |
| Revenue | 1,05,566 | 1,20,031 | 1,33,473 | 1,09,307 | 1,22,907 | 1,35,974 | 4% | 2% | 2% |
| EBITDA | 12,161 | 14,698 | 16,441 | 12,310 | 14,652 | 16,609 | 1% | 0% | 1% |
| Adj. PAT | 7,577 | 9,626 | 11,132 | 7,121 | 9,350 | 11,042 | -6% | -3% | -1% |

# Financials and valuations

## Consolidated - Income Statement

(INRm)

| Y/E March | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|---|---|---|---|
| **Total Income from Operations** | **41,351** | **47,419** | **54,274** | **69,358** | **77,724** | **86,815** | **1,09,307** | **1,22,907** | **1,35,974** |
| Change (%) | 6.3 | 14.7 | 14.5 | 27.8 | 12.1 | 11.7 | 25.9 | 12.4 | 10.6 |
| Raw Materials | 28,752 | 30,405 | 34,679 | 45,775 | 52,781 | 57,403 | 72,081 | 82,102 | 90,558 |
| **Gross Profit** | **12,599** | **17,015** | **19,595** | **23,583** | **24,943** | **29,412** | **37,226** | **40,805** | **45,415** |
| Employees Cost | 1,986 | 2,643 | 2,896 | 3,596 | 4,301 | 4,908 | 6,228 | 6,268 | 6,935 |
| Other Expenses | 5,986 | 8,748 | 10,781 | 12,989 | 11,263 | 14,722 | 18,688 | 19,885 | 21,872 |
| **Total Expenditure** | **36,724** | **41,796** | **48,356** | **62,360** | **68,345** | **77,032** | **96,997** | **1,08,255** | **1,19,365** |
| % of Sales | 88.8 | 88.1 | 89.1 | 89.9 | 87.9 | 88.7 | 88.7 | 88.1 | 87.8 |
| **EBITDA** | **4,627** | **5,624** | **5,917** | **6,998** | **9,379** | **9,783** | **12,310** | **14,652** | **16,609** |
| Margin (%) | 11.2 | 11.9 | 10.9 | 10.1 | 12.1 | 11.3 | 11.3 | 11.9 | 12.2 |
| Depreciation | 914 | 1,085 | 1,226 | 1,269 | 1,529 | 1,857 | 2,362 | 2,477 | 2,597 |
| **EBIT** | **3,713** | **4,539** | **4,691** | **5,729** | **7,850** | **7,926** | **9,948** | **12,175** | **14,012** |
| Int. and Finance Charges | 1,323 | 874 | 687 | 821 | 830 | 877 | 990 | 540 | 208 |
| Other Income | 379 | 315 | 232 | 430 | 496 | 885 | 678 | 860 | 952 |
| **PBT bef. EO Exp.** | **2,770** | **3,980** | **4,236** | **5,338** | **7,517** | **7,934** | **9,636** | **12,495** | **14,756** |
| EO Items | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **PBT after EO Exp.** | **2,770** | **3,980** | **4,236** | **5,338** | **7,517** | **7,934** | **9,636** | **12,495** | **14,756** |
| Total Tax | 776 | 1,089 | 1,144 | 1,353 | 2,029 | 2,102 | 2,585 | 3,145 | 3,714 |
| Tax Rate (%) | 28.0 | 27.4 | 27.0 | 25.3 | 27.0 | 26.5 | 26.8 | 25.2 | 25.2 |
| Minority Interest | 148 | 150 | 170 | -42 | -446 | -222 | -70 | 0 | 0 |
| **Reported PAT** | **1,845** | **2,741** | **2,922** | **4,028** | **5,933** | **6,053** | **7,121** | **9,350** | **11,042** |
| **Adjusted PAT** | **1,845** | **2,741** | **2,922** | **4,028** | **5,933** | **6,053** | **7,121** | **9,350** | **11,042** |
| Change (%) | 45.8 | 48.5 | 6.6 | 37.9 | 47.3 | 2.0 | 17.6 | 31.3 | 18.1 |
| Margin (%) | 4.5 | 5.8 | 5.4 | 5.8 | 7.6 | 7.0 | 6.5 | 7.6 | 8.1 |

## Consolidated - Balance Sheet

(INRm)

| Y/E March | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|---|---|---|---|
| Equity Share Capital | 320 | 320 | 320 | 347 | 347 | 347 | 347 | 347 | 347 |
| Total Reserves | 14,494 | 17,235 | 19,656 | 27,223 | 33,369 | 38,189 | 43,574 | 51,188 | 60,493 |
| **Net Worth** | **14,813** | **17,555** | **19,976** | **27,571** | **33,716** | **38,537** | **43,921** | **51,535** | **60,841** |
| Minority Interest | 1,179 | 1,348 | 1,513 | 400 | 551 | 0 | 0 | 0 | 0 |
| Total Loans | 17,643 | 15,698 | 13,196 | 9,377 | 5,262 | 7,434 | 7,434 | 3,934 | 434 |
| Deferred Tax Liabilities | -319 | -195 | -182 | -186 | -256 | -324 | -324 | -324 | -324 |
| **Capital Employed** | **33,316** | **34,406** | **34,503** | **37,161** | **39,273** | **45,647** | **51,032** | **55,146** | **60,951** |
| Gross Block | 13,840 | 14,264 | 15,255 | 17,838 | 20,967 | 25,259 | 27,316 | 29,623 | 31,484 |
| Less: Accum. Deprn. | 5,439 | 6,092 | 6,857 | 8,126 | 9,655 | 11,512 | 13,874 | 16,351 | 18,948 |
| **Net Fixed Assets** | **8,401** | **8,173** | **8,398** | **9,712** | **11,312** | **13,747** | **13,442** | **13,272** | **12,536** |
| Goodwill on Consolidation | 659 | 626 | 655 | 240 | 285 | 293 | 293 | 293 | 293 |
| Capital WIP | 173 | 327 | 350 | 266 | 412 | 447 | 1,789 | 1,233 | 1,122 |
| **Total Investments** | **334** | **287** | **249** | **1,270** | **1,834** | **2,234** | **2,234** | **2,234** | **2,234** |
| **Curr. Assets, Loans&Adv.** | **28,300** | **31,516** | **33,757** | **41,514** | **46,318** | **57,085** | **66,158** | **73,129** | **83,437** |
| Inventory | 17,502 | 22,228 | 23,518 | 30,724 | 34,981 | 43,603 | 51,345 | 55,109 | 60,786 |
| Account Receivables | 6,196 | 4,867 | 6,113 | 6,744 | 6,758 | 7,520 | 8,984 | 10,102 | 11,176 |
| Cash and Bank Balance | 249 | 300 | 391 | 390 | 503 | 1,442 | 582 | 2,018 | 4,949 |
| Loans and Advances | 4,352 | 4,120 | 3,734 | 3,657 | 4,075 | 4,521 | 5,247 | 5,900 | 6,527 |
| **Curr. Liability & Prov.** | **4,550** | **6,523** | **8,905** | **15,841** | **20,890** | **28,159** | **32,885** | **35,015** | **38,671** |
| Account Payables | 2,608 | 5,036 | 7,031 | 10,928 | 12,300 | 17,726 | 19,748 | 20,244 | 22,329 |
| Other Current Liabilities | 1,602 | 1,137 | 1,459 | 4,711 | 8,367 | 10,131 | 12,755 | 14,342 | 15,867 |
| Provisions | 340 | 350 | 415 | 202 | 223 | 303 | 381 | 428 | 474 |
| **Net Current Assets** | **23,750** | **24,993** | **24,851** | **25,673** | **25,429** | **28,926** | **33,273** | **38,114** | **44,767** |
| **Appl. of Funds** | **33,315** | **34,406** | **34,504** | **37,161** | **39,273** | **45,647** | **51,032** | **55,146** | **60,951** |

# Financials and valuations

## Ratios

| Y/E March | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|---|---|---|---|
| **Basic (INR)** | | | | | | | | | |
| **EPS** | **5.3** | **7.9** | **8.4** | **11.6** | **17.1** | **17.4** | **20.5** | **26.9** | **31.8** |
| Cash EPS | 7.9 | 11.0 | 11.9 | 15.3 | 21.5 | 22.8 | 27.3 | 34.1 | 39.3 |
| BV/Share | 42.7 | 50.6 | 57.5 | 79.4 | 97.1 | 111.0 | 126.5 | 148.4 | 175.2 |
| DPS | 0.0 | 0.9 | 0.9 | 0.5 | 0.5 | 2.5 | 5.0 | 5.0 | 5.0 |
| Payout (%) | 0.0 | 11.7 | 10.9 | 4.3 | 2.9 | 14.3 | 24.4 | 18.6 | 15.7 |
| **Valuation (x)** | | | | | | | | | |
| P/E | 79.0 | 53.2 | 49.9 | 36.2 | 24.6 | 24.1 | 20.5 | 15.6 | 13.2 |
| Cash P/E | 52.9 | 38.1 | 35.2 | 27.5 | 19.5 | 18.4 | 15.4 | 12.3 | 10.7 |
| P/BV | 9.8 | 8.3 | 7.3 | 5.3 | 4.3 | 3.8 | 3.3 | 2.8 | 2.4 |
| EV/Sales | 3.9 | 3.4 | 2.9 | 2.2 | 1.9 | 1.7 | 1.4 | 1.2 | 1.0 |
| EV/EBITDA | 35.3 | 28.7 | 26.8 | 22.1 | 16.1 | 15.5 | 12.4 | 10.1 | 8.5 |
| Dividend Yield (%) | 0.0 | 0.2 | 0.2 | 0.1 | 0.1 | 0.6 | 1.2 | 1.2 | 1.2 |
| FCF per share | 11.3 | 10.0 | 10.5 | 3.3 | 16.0 | 6.4 | 3.4 | 18.3 | 21.4 |
| **Return Ratios (%)** | | | | | | | | | |
| RoE | 13.1 | 16.9 | 15.6 | 16.9 | 19.4 | 16.8 | 17.3 | 19.6 | 19.7 |
| RoCE | 9.4 | 10.7 | 10.8 | 13.1 | 16.0 | 15.2 | 16.0 | 18.3 | 19.2 |
| RoIC | 8.5 | 10.0 | 10.2 | 12.4 | 16.0 | 14.9 | 16.6 | 19.0 | 20.5 |
| **Working Capital Ratios** | | | | | | | | | |
| Fixed Asset Turnover (x) | 3.0 | 3.3 | 3.6 | 3.9 | 3.7 | 3.4 | 4.0 | 4.1 | 4.3 |
| Asset Turnover (x) | 1.2 | 1.4 | 1.6 | 1.9 | 2.0 | 1.9 | 2.1 | 2.2 | 2.2 |
| Inventory (Days) | 222 | 267 | 248 | 245 | 242 | 277 | 260 | 245 | 245 |
| Debtor (Days) | 55 | 37 | 41 | 35 | 32 | 32 | 30 | 30 | 30 |
| Creditor (Days) | 33 | 60 | 74 | 87 | 85 | 113 | 100 | 90 | 90 |
| **Leverage Ratio (x)** | | | | | | | | | |
| Current Ratio | 6.2 | 4.8 | 3.8 | 2.6 | 2.2 | 2.0 | 2.0 | 2.1 | 2.2 |
| Interest Cover Ratio | 2.8 | 5.2 | 6.8 | 7.0 | 9.5 | 9.0 | 10.0 | 22.5 | 67.5 |
| Net Debt/Equity | 1.2 | 0.9 | 0.6 | 0.3 | 0.1 | 0.1 | 0.1 | 0.0 | -0.1 |

## Consolidated - Cash Flow Statement

(INRm)

| Y/E March | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|---|---|---|---|
| OP/(Loss) before Tax | 2,770 | 3,980 | 4,236 | 5,626 | 8,005 | 8,220 | 9,636 | 12,495 | 14,756 |
| Depreciation | 914 | 1,085 | 1,226 | 1,269 | 1,529 | 1,857 | 2,362 | 2,477 | 2,597 |
| Interest & Finance Charges | 1,298 | 861 | 676 | 821 | 830 | 877 | 312 | -320 | -744 |
| Direct Taxes Paid | -789 | -1,131 | -1,074 | -1,293 | -1,522 | -2,332 | -2,585 | -3,145 | -3,714 |
| (Inc)/Dec in WC | 334 | -537 | -14 | -3,390 | -805 | -3,745 | -5,207 | -3,404 | -3,722 |
| **CF from Operations** | **4,527** | **4,257** | **5,051** | **3,033** | **8,037** | **4,877** | **4,519** | **8,102** | **9,173** |
| Others | 245 | 190 | 124 | -449 | -468 | -252 | 70 | 0 | 0 |
| **CF from Operating incl EO** | **4,772** | **4,447** | **5,175** | **2,584** | **7,569** | **4,625** | **4,589** | **8,102** | **9,173** |
| (Inc)/Dec in FA | -845 | -990 | -1,519 | -1,438 | -2,011 | -2,391 | -3,400 | -1,750 | -1,750 |
| **Free Cash Flow** | **3,927** | **3,457** | **3,656** | **1,146** | **5,558** | **2,234** | **1,189** | **6,352** | **7,423** |
| (Pur)/Sale of Investments | -10 | -8 | -12 | -2,516 | -22 | -122 | 0 | 0 | 0 |
| Others | 78 | 121 | 155 | 8 | 18 | 9 | 678 | 860 | 952 |
| **CF from Investments** | **-777** | **-877** | **-1,377** | **-3,946** | **-2,015** | **-2,504** | **-2,722** | **-890** | **-798** |
| Issue of Shares | 0 | 0 | 0 | 3,824 | 0 | 0 | 0 | 0 | 0 |
| Inc/(Dec) in Debt | -2,478 | -2,252 | -2,781 | -1,119 | -3,741 | 2,173 | 0 | -3,500 | -3,500 |
| Interest Paid | -1,309 | -889 | -475 | -734 | -724 | -704 | -990 | -540 | -208 |
| Dividend Paid | -251 | -320 | -320 | -160 | -347 | -1,040 | -1,736 | -1,736 | -1,736 |
| Others | 0 | 0 | 0 | -448 | -567 | -1,934 | 0 | 0 | 0 |
| **CF from Fin. Activity** | **-4,038** | **-3,461** | **-3,575** | **1,363** | **-5,380** | **-1,504** | **-2,726** | **-5,776** | **-5,444** |
| **Inc/Dec of Cash** | **-43** | **108** | **223** | **1** | **175** | **617** | **-860** | **1,436** | **2,931** |
| Opening Balance | 292 | 191 | 168 | 389 | 329 | 825 | 1,442 | 582 | 2,018 |
| **Closing Balance** | **249** | **300** | **391** | **390** | **503** | **1,442** | **582** | **2,018** | **4,949** |

| Explanation of Investment Rating | |
|---|---|
| **Investment Rating** | **Expected return (over 12-month)** |
| BUY | >=15% |
| SELL | < - 10% |
| NEUTRAL | < - 10 % to 15% |
| UNDER REVIEW | Rating may undergo a change |
| NOT RATED | We have forward looking estimates for the stock but we refrain from assigning recommendation |

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