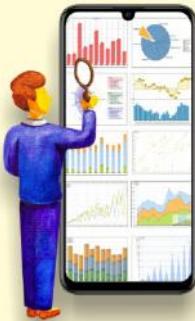


# Consumer

## Result Preview



Company	Reco	TP (INR)
<b>Staples</b>		
BRIT	Buy	7,150
CLGT	Buy	2,700
DABUR	Neutral	535
HMN	Buy	675
GCPL	Buy	1,450
HUVR	Buy	2,800
ITC	Neutral	400
JYL	Neutral	325
LT Foods	Buy	550
MRCO	Buy	875
NESTLE	Neutral	1,300
PG	Neutral	14,000
TATACON	Buy	1,475
VBL	Buy	576
Zydus	Buy	575
<b>Paints</b>		
APNT	Neutral	3,000
INDIGOPN	Buy	1,450
PIDI	Neutral	1,500
<b>Innerwear</b>		
PAGE	Buy	44,500
<b>Liquor</b>		
RDCK	Buy	3,550
UBBL	Neutral	1,700
UNSP	Neutral	1,550
<b>QSR</b>		
UFBL	Neutral	235
DEVYANI	Buy	180
JUBI	Neutral	635
RBA	Buy	120
SAPPHIRE	Buy	325
WESTLIFE	Neutral	600
<b>Jewelry</b>		
KALYANKJ	Buy	650
PNG	Buy	825
SENO	Neutral	365
TTAN	Buy	4,650

## Print appears to be improving; jewelry continues to outperform

Within our consumer coverage universe, almost all segments are expected to see an improvement in revenue/EBITDA growth YoY in 3QFY26 — staples +9%/+7%, paints & adhesives +8%/+11%, liquor +7%/+12%, innerwear +6%/+2%, QSR +13%/+10%, and jewelry +31%/+20%.

- **Staples** companies are expected to report sequential improvement in revenue growth. Post GST 2.0, the disruption continues for Oct and partially in November (nearly 40-45 days affected). Thereafter, partial restocking supported the primary growth. Grammage additions in price packs (LUPs), undertaken to pass on GST rate reductions, should support volume growth (particularly packaged foods). A favorable winter further drives off-take of health supplements, personal care, hot beverages, and other winter-sensitive products. From 4Q onwards, growth is likely to reflect better underlying demand as trade disruptions fully normalize. Rural demand is expected to remain resilient, while urban demand has also shown an improving trajectory. Benign raw material prices should start seeing a recovery in gross margin. EBITDA margin is also likely to improve. Nestle, GCPL, Marico, Britannia, Emami, LT Foods, and Tata Consumer are expected to deliver double-digit YoY EBITDA growth. We expect our coverage universe to deliver a sales/EBITDA/APAT growth of 9%/7%/8% in 3QFY26.
- **Paint & Adhesives** — Improvement in demand was below expectation but is expected to be slightly better than 1HFY26. Demand post-festive period has not seen much pickup. Industry demand in value terms is expected to be in the low-to-mid-single digits in 3Q. Gross margins are expected to improve, supported by benign raw material prices, which should also aid EBITDA margin expansion. Pidilite is likely to sustain double-digit growth, underpinned by margin tailwinds and resilient underlying demand. We build in sales/EBITDA/PAT growth of 8%/11%/12% for our coverage companies in 3QFY26.
- **Liquor**: UNSP's volume and revenue are expected to grow ~2% and ~6%, respectively, in 3Q, impacted by the excise duty hike in Maharashtra (a high-teens revenue contributor) and the annualization of the AP policy. In contrast, Radico is expected to sustain robust double-digit, volume-led revenue growth. Gross margins are likely to see YoY improvement, supported by benign raw material prices. UBBL is likely to report weak revenue growth, hurt by the off-season (extended monsoon and early winters). Weak volume growth is expected to impact EBITDA margins. We expect sales/EBITDA/PAT growth of 7%/12%/13% for our coverage companies in 3QFY26.
- **Innerwear** demand remains soft, mainly due to a slowdown in the GT channel, while e-commerce continues to grow well. GT demand in Metro and Tier-1 cities (around 60% of sales) is still under pressure, whereas Tier-2/3 cities are seeing healthy growth. PAGE has geared up well for product launches, along with marketing and technology, though growth is expected to trend below its guidance. Going forward, it expects a new steady-state volume growth of 8-9% and a pricing contribution of 2-3% to drive double-digit revenue growth. EBITDA margins may face some pressure due to higher ad spending and a high base (23% in 3QFY25). We expect a sales/EBITDA/PAT growth of 6%/2%/5% for PAGE.

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Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on [www.motilaloswal.com](http://www.motilaloswal.com)/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

- **QSR:** The QSR print is expected to look better than 2Q, as Navratri was shifted to September vs. last year in October. Underlying demand has not seen much improvement. ADS and SSSG should be better than 2QFY26. Gross margins for most players are expected to see an improvement post-GST benefits. With better ADS, we believe the operating margin will be better than 2Q but will be lower for several brands on a YoY basis. We expect JUBI and RBA to deliver YoY expansion in EBITDA margin, and we expect them to deliver double-digit EBITDA growth. Intensified focus on in-store activations and new launches will be important to drive footfalls and order growth ahead. We expect sales and EBITDA growth of 13%/10% for 3QFY26.
- **Jewelry:** In 3QFY26, gold prices surged, rising ~60% YoY and ~20% QoQ. Despite this steep inflation, consumer demand for top brands remained resilient, supported by a strong festive season and sustained momentum during the wedding period. Demand was further aided by higher old-gold exchange-led purchases and attractive promotional offers. Gold coin sales also witnessed a sharp uptick amid rising gold prices. Now, consumers increasingly view gold inflation as structural and are therefore advancing their purchase decisions rather than postponing them. SSSG is expected to grow in high double digits, largely driven by value growth. However, margins may witness YoY pressure due to an adverse product mix amid elevated gold prices and high coin sales. We model a sales/EBITDA/PAT growth of 31%/30%/30% for our coverage jewelry companies in 3QFY26.
- **Outperformers and underperformers:** Among our coverage companies, Britannia, Emami, GCPL, MRCO, Nestle, Pidilite, Radico Khaitan, RBA, Titan, and Kalyan Jewelers are expected to be outliers in 3QFY26, whereas Colgate, HUL, UNSP, and UBBL will likely be the underperformers.
- **Outlook:** With trade stabilizing after the GST reduction, staples are expected to see a gradual pickup in demand, supported by a steady rural recovery and improving urban sentiment. Multiple measures have been initiated by the govt., and we expect steady improvement in demand from 4QFY26 onward. **Our top picks are Britannia, Titan, and Radico.**

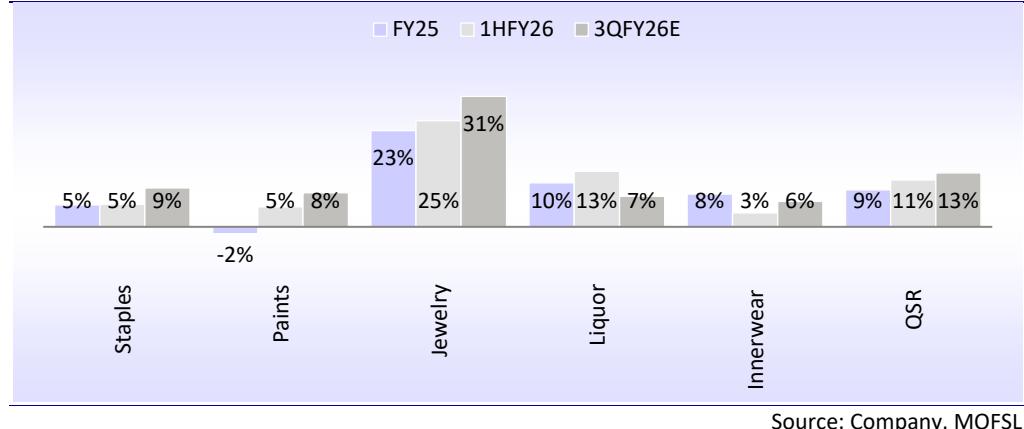
#### Raw material prices remain stable

- Commodity prices have seen deflationary trends during the quarter. We expect staple companies to see some sequential GM expansion. Further, margins started to see a YoY recovery for some companies. Most agricultural commodities and prices of non-agricultural commodities, including crude oil, its derivatives, TiO2, and VAM, have seen moderation. However, select commodities such as gold continue to see inflationary pressure. Overall, RM inflationary pressure is likely to ease out in 2HFY26.
- **Agricultural commodities:** Wheat prices dipped 10% YoY and 3% QoQ. Barley prices declined 4% YoY and were flat QoQ. Sugar prices increased 7% YoY and 1% QoQ. Coffee prices increased 1% YoY while down 2% QoQ. Cocoa bean prices have started to ease and were down 33% YoY and 26% QoQ, offering relief to companies like Nestlé and HUL. Copra prices surged 71% YoY while down 1% QoQ, while palm oil prices are down 13% YoY and 2% QoQ.
- **Non-agricultural commodities:** These commodities have seen a moderation in prices. Crude oil prices are down 14% YoY. Other commodities such as TiO2 and VAM (China) continue to show a downward trend. VAM (China) prices rose 2%

YoY and 4% QoQ. Gold prices jumped 60% YoY and 21% QoQ, putting pressure on the margins of jewelry companies.

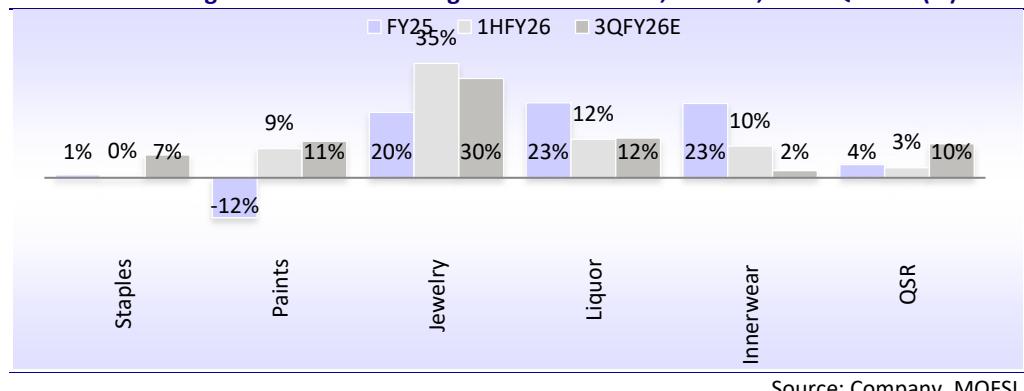
- Companies remain focused on normalizing the gap between volume and value growth while prioritizing a strategic balance between revenue growth and margin expansion amid evolving market dynamics. This approach aims to navigate cost pressures effectively while maintaining competitive positioning.

**Exhibit 1: Revenue growth for our coverage universe in FY25, 1HFY26, and 3QFY26E (%)**



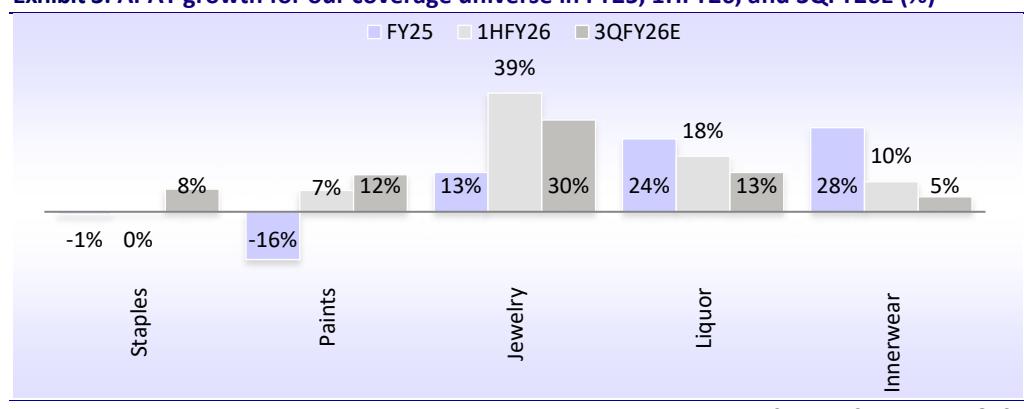
Source: Company, MOFSL

**Exhibit 2: EBITDA growth for our coverage universe in FY25, 1HFY26, and 3QFY26E (%)**



Source: Company, MOFSL

**Exhibit 3: APAT growth for our coverage universe in FY25, 1HFY26, and 3QFY26E (%)**



Source: Company, MOFSL

**Exhibit 4: Summary of our 3QFY26 earnings estimates**

Sector	CMP (INR)	Reco	Sales (INR M)			EBIDTA (INR M)			PAT (INR M)		
			Dec-25	YoY	QoQ	Dec-25	YoY	QoQ	Dec-25	YoY	QoQ
<b>Staples</b>											
Britannia	5982	Buy	50,212	12.5	5.7	9,874	16.9	3.4	6,898	18.5	5.3
Colgate	2089	Buy	14,938	2.2	-1.7	4,601	1.3	-1.2	3,262	1.1	-0.4
Dabur	522	Neutral	36,057	7.5	13.0	7,392	8.4	25.7	5,615	5.8	21.9
Emami	522	Buy	11,623	10.8	45.6	3,852	13.7	115.8	3,306	10.0	93.2
Godrej Consumer	1236	Buy	41,602	10.4	8.8	8,631	14.2	17.7	6,095	21.3	26.7
Hind. Unilever	2348	Buy	1,60,962	1.8	-1.0	37,386	1.2	0.0	25,695	-1.3	2.8
ITC	350	Neutral	2,07,068	10.2	6.2	67,781	6.5	1.2	51,742	9.4	2.2
Jyothy Labs	284	Neutral	7,496	6.4	1.8	1,241	7.2	4.9	951	8.9	8.4
L T Foods	390	Buy	27,564	21.2	-0.3	3,041	21.7	-1.7	1,673	16.8	2.1
Marico	758	Buy	35,689	27.7	2.5	5,971	12.0	6.6	4,448	11.5	5.9
Nestle	1280	Neutral	53,544	12.0	-5.1	12,371	10.2	-1.3	7,614	11.4	2.5
P&G Hygiene	12883	Neutral	12,975	4.0	12.8	3,698	-0.3	29.9	2,756	2.6	31.3
Tata Consumer	1170	Buy	49,766	12.0	0.2	7,021	24.3	4.5	3,996	41.0	-1.2
Varun Beverages	494	Buy	39,391	6.8	-19.6	6,287	8.4	-45.2	2,586	39.7	-65.0
Zydus Wellness	472	Buy	5,713	152.5	66.0	321	1,839.5	1,748.7	-310	PL	Loss
<b>Paints</b>											
Asian Paints	2772	Neutral	91,052	6.5	6.7	18,050	10.3	20.1	12,502	10.8	22.8
Indigo Paints	1170	Buy	3,745	9.3	20.0	659	15.2	41.6	395	9.8	57.5
Pidilite Inds.	1478	Neutral	37,783	12.2	6.3	8,984	12.5	5.6	6,375	15.4	9.9
<b>Innerwear</b>											
Page Industries	35767	Buy	13,927	6.1	7.9	3,092	2.2	10.6	2,147	4.9	10.3
<b>Liquor</b>											
Radico Khaitan	3095	Buy	15,297	18.2	2.4	2,493	35.6	4.9	1,493	55.6	7.5
United Breweries	1596	Neutral	20,183	1.0	-1.6	1,211	-14.2	-6.9	460	-28.2	-2.1
United Spirits	1381	Neutral	36,677	6.9	15.7	6,528	11.0	-2.9	4,607	9.6	-6.8
<b>QSR</b>											
Devyani Intl.	148	Buy	15,017	16.0	9.1	2,351	7.2	21.0	135	LP	LP
Jubilant Foodworks	553	Neutral	18,447	14.5	8.6	3,680	17.7	11.7	876	46.9	36.9
Restaurant Brands	65	Buy	5,862	18.3	3.1	910	15.3	12.0	-100	Loss	Loss
Sapphire Foods	253	Buy	8,228	8.8	10.8	1,348	0.3	32.0	48	-62.0	LP
United Foodbrands	216	Neutral	3,437	4.5	12.8	619	0.6	64.0	-30	PL	Loss
Westlife Foodworld	539	Neutral	7,015	7.3	9.3	1,004	9.9	32.4	86	21.5	LP
<b>Jewelry</b>											
Kalyan Jewellers	496	Buy	97,874	34.3	24.6	6,396	29.6	28.7	3,674	41.4	41.0
P N Gadgil Jewellers	612	Buy	32,543	33.6	49.4	1,810	47.5	69.0	1,163	35.2	46.6
Senco Gold	324	Neutral	23,938	17.0	55.8	1,604	49.1	50.6	796	46.8	63.1
Titan Company	4051	Buy	2,32,707	31.2	24.3	24,684	28.1	31.6	15,832	27.1	41.5

**Exhibit 5: Volume growth expectations in 3QFY26**

Volume growth (%)	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E
Asian Paints	12.0	10.0	7.0	-0.5	1.6	1.8	3.9	10.9	12.0
Britannia	5.5	6.0	8.0	8.0	6.0	3.0	2.0	-3.0	8.0
Colgate	-1.0	1.0	7.0	8.0	4.0	0.0	-3.0	-5.0	1.0
Dabur	4.0	3.0	5.2	-7.0	1.2	-5.0	-1.0	2.0	5.0
Emami	-1.0	6.4	8.7	1.7	4.0	5.0	-3.0	-16.0	13.0
Godrej Consumer	5.0	9.0	8.0	7.0	0.0	4.0	5.0	3.0	8.0
HUL	2.0	2.0	4.0	3.0	0.0	2.0	4.0	0.0	3.0
ITC	-2.0	2.0	3.0	3.5	6.0	5.0	6.0	6.0	6.0
Jyothy labs	11.0	10.0	10.8	3.0	8.0	5.0	3.6	2.8	5.0
Marico	2.0	3.0	4.0	5.0	6.0	7.0	9.0	7.0	8.0
Nestle	4.0	4.0	2.0	-1.5	2.5	2.0	2.0	7.0	9.0
Page Industries	4.6	6.1	2.6	6.7	4.7	8.5	1.9	2.5	4.5
UBBL	8.0	10.9	5.0	5.0	8.0	5.0	11.0	-3.0	0.5
United spirits	-1.8	3.7	3.5	-4.4	10.2	6.9	9.4	7.7	2.4
P&A	4.6	3.7	5.1	-3.7	11.2	9.2	9.0	8.0	2.5
Radico Khaitan	3.6	-1.0	-4.1	-2.4	15.5	27.5	37.5	37.7	17.3
Radico Khaitan (P&A)	20.1	14.5	14.2	12.7	18.0	16.4	40.7	21.6	18.0

Source: Company, MOFSL

**Exhibit 6: Revenue growth trends of our coverage universe**

Companies name	Revenue growth (%)								
	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E
<b>Staples</b>									
Britannia	1	1	6	5	8	9	9	4	12
Colgate	8	10	13	10	5	(2)	(4)	(6)	2
Dabur	7	5	7	(5)	3	1	2	5	7
Emami	1	7	10	3	5	8	(0)	(10)	11
Godrej Consumer	2	6	(3)	2	3	6	10	4	10
HUL*	(0)	(0)	1	2	2	3	5	2	2
ITC	2	2	8	17	4	5	16	(6)	10
Jyothy	11	7	8	0	4	1	1	0	6
LT Foods	9	14	16	7	17	7	19	31	21
Marico	(2)	2	7	8	15	20	23	31	28
Nestle	8	9	3	1	4	4	6	11	12
P&G Hygiene	(0)	13	10	(0)	10	(1)	1	1	4
Tata consumer	9	9	16	13	17	17	10	18	12
Varun Beverages	20	11	28	24	38	29	(2)	2	7
Zydus Wellness	(3)	10	20	12	15	17	2	32	106
Zydus Wellness - Organic									7
<b>Paints &amp; Adhesives</b>									
Asian Paints	5	(1)	(2)	(5)	(6)	(4)	(0)	6	6
Indigo Paints	26	18	8	7	(3)	1	(1)	4	9
Pidilite	4	8	4	5	8	8	11	10	12
<b>Liquor</b>									
United Breweries	13	21	9	12	10	9	16	(3)	1
United Spirits	7	7	8	(1)	15	11	8	12	7
Radico Khaitan	47	30	19	21	11	21	33	34	18
<b>Innerwear</b>									
Page Industries	2	3	4	11	7	11	3	4	6
<b>CSR</b>									
Jubilant Food.	3	15	10	9	19	10	18	16	15
Devyani International	7	39	44	49	54	16	11	13	16
Westlife Foodworld	(2)	1	0	1	9	7	7	4	7
Sapphire Foods	12	13	10	8	14	13	8	7	9
Restaurant Brands	20	20	16	9	11	12	13	16	18
Barbeque Nation	1	6	(6)	1	(1)	(2)	(3)	(0)	5
<b>Jewelry</b>									
Titan	22	21	12	16	25	19	25	29	31
Kalyan	34	34	27	37	40	37	31	30	34
Senco	23	40	8	31	24	21	30	2	17
PN Gadgil			33	46	24	5	3	9	34

\*HUL organic revenue growth is 4% Source: Company, MOFSL

**Exhibit 7: EBITDA growth trends of our coverage universe**

Companies name	EBITDA growth (%)								
	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E
<b>Staples</b>									
Britannia	0	(2)	9	(10)	3	2	0	22	17
Colgate	30	18	22	3	(3)	(6)	(11)	(6)	1
Dabur	8	14	8	(16)	2	(9)	2	6	8
Emami	7	6	14	7	8	4	(1)	(29)	14
Godrej Consumer	18	14	7	5	(16)	(0)	(4)	(4)	14
HUL	(1)	(1)	2	(0)	1	2	(1)	(1)	1
ITC	(3)	0	1	5	(2)	(2)	1	(1)	7
Jyothy	41	19	14	2	(2)	3	(7)	(15)	7
LT Foods	44	25	13	(5)	5	5	10	35	22
Marico	13	12	9	5	4	4	5	7	12
Nestle	14	19	5	(4)	(1)	5	(0)	5	10
P&G Hygiene	7	72	(38)	2	20	(19)	103	(2)	(0)
Tata consumer	26	23	22	17	(1)	(1)	(9)	7	24
Varun Beverages	36	24	32	30	39	28	0	(0)	8
Zydus Wellness	(55)	18	52	17	17	17	0	17	321
Zydus Wellness - Organic									(60)
<b>Paints &amp; Adhesives</b>									
Asian Paints	28	(9)	(20)	(28)	(20)	(15)	(4)	21	10
Indigo Paints	53	18	(4)	(1)	(8)	3	(6)	12	15
Pidilite	50	26	15	13	8	10	16	11	13
<b>Liquor</b>									
United Breweries	90	166	28	23	(3)	31	9	(43)	(14)
United Spirits	34	7	19	8	20	40	(9)	33	11
Radico Khaitan	47	55	25	35	29	45	56	46	36
<b>Innerwear</b>									
Page Industries	19	22	2	20	32	43	21	(0)	2
<b>QSR</b>									
Jubilant Food.	(2)	1	1	1	11	20	16	16	18
Devyani International	(16)	15	29	25	50	16	(8)	(2)	7
Westlife Foodworld	(13)	(16)	(24)	(21)	(5)	3	7	(4)	10
Sapphire Foods	4	5	2	(3)	10	3	(9)	(9)	0
Restaurant Brands	48	30	27	10	12	41	21	16	15
Barbeque Nation	7	37	9	3	(7)	(3)	(10)	(17)	1
<b>Jewelry</b>									
Titan	16	9	11	8	23	29	47	23	28
Kalyan	13	15	16	26	33	35	35	25	30
Senco	11	31	62	107	(41)	45	69	30	49
PN Gadgil	-	-	44	59	33	6	71	49	47

Source: Company, MOFSL

**Exhibit 8: APAT growth trends of our coverage universe**

Companies name	APAT growth (%)								
	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E
<b>Staples</b>									
Britannia	0	-4	16	-9	4	4	-2	23	18
Colgate	36	20	26	5	-2	-7	-12	-8	1
Dabur	8	11	8	-17	2	-8	3	6	6
Emami	11	13	21	19	6	9	8	-27	10
Godrej Consumer	6	23	24	12	-14	-25	0	-3	21
HUL	-2	-2	2	-2	3	3	-5	-4	-1
ITC	7	0	0	2	-11	-1	3	1	9
Jyothy	35	32	17	1	-4	3	-5	-16	9
LT Foods	59	16	11	-7	-5	8	10	10	17
Marico	17	5	9	11	4	8	9	7	11
Nestle	24	22	6	-3	-12	-4	-13	-5	11
P&G Hygiene	10	72	-39	1	17	-16	111	-1	3
Tata consumer	19	38	-5	10	-18	-18	10	5	41
Varun Beverages	77	25	26	24	40	35	5	19	40
Zydus Wellness	-98	-2	19	154	2033	14	-13	-135	87
<b>Paints &amp; Adhesives</b>									
Asian Paints	34	-1	-25	-29	-24	-31	-6	17	11
Indigo Paints	42	10	-16	-11	-3	6	-1	11	10
Pidilite	67	30	21	19	8	20	19	8	15
<b>Liquor</b>									
United Breweries	275	731	27	23	-25	20	6	-64	-28
United Spirits	61	10	25	5	21	60	-1	48	10
Radico Khaitan	29	52	21	33	30	60	84	69	56
<b>Innerwear</b>									
Page Industries	23	38	4	29	34	52	22	0	5
<b>QSR</b>									
Jubilant Food.	(31)	(44)	(31)	(28)	(2)	43	29	23	47
Devyani International	(93)	(95)	(17)	PL	PL	PL	(94)	PL	LP
Westlife Foodworld	(53)	(96)	(89)	(98)	(59)	96	(65)	PL	22
Sapphire Foods	(70)	(82)	(67)	(66)	29	189	PL	PL	(62)
Restaurant Brands	NM	NM	NM	NM	NM	NM	NM	NM	NM
Barbeque Nation	(2)	NM	NM	NM	5	NM	NM	NM	NM
<b>Jewelry</b>									
Titan	15	5	-5	2	18	13	53	20	27
Kalyan	21	96	23	35	44	36	49	43	41
Senco	6	24	85	189	-50	94	104	41	47
PN Gadgil	0	0	59	141	49	13	96	50	35

Source: Company, MOFSL

**Exhibit 9: Gross and EBITDA margin expansions in 3QFY26E (%)**

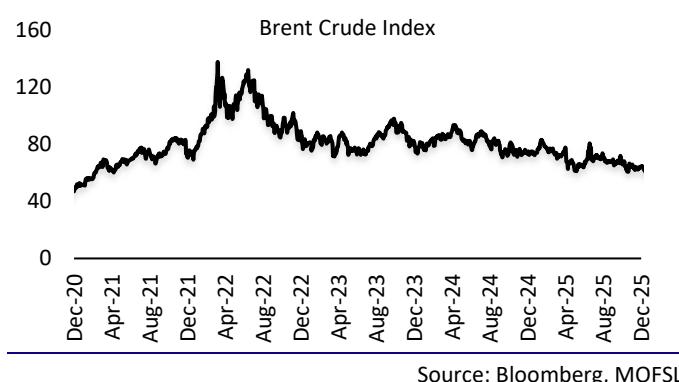
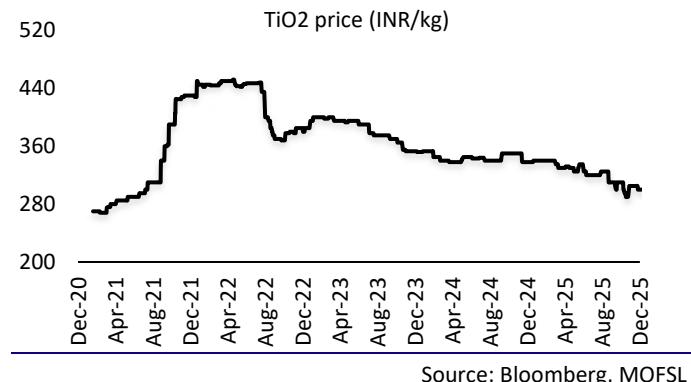
Companies	Gross Margin	YoY (bp)	QoQ (bp)	EBITDA Margin	YoY (bp)	QoQ (bp)
<b>Staples</b>						
Britannia	41.7%	298	2	19.3%	91	-41
Colgate	69.5%	-41	5	30.8%	-28	17
Dabur	48.8%	74	-64	20.5%	18	207
Emami	70.4%	6	-67	33.1%	86	1078
Godrej Consumer	54.0%	-14	190	20.7%	69	158
HUL	51.2%	-11	-23	23.2%	-13	21
ITC	57.5%	-12	-75	32.7%	-112	-160
Jyothy	50.6%	83	255	16.6%	12	49
LT Foods	34.0%	53	-2	11.0%	5	-16
Marico	43.2%	-635	50	16.7%	-235	65
Nestle	55.2%	-119	88	23.1%	-38	89
P&G Hygiene	63.5%	-130	221	28.5%	-123	374
Tata consumer	42.7%	163	62	14.1%	140	58
Varun Beverages	53.9%	-218	-282	16.0%	24	-747
Zydus Wellness	60.0%	1101	709	6.5%	333	300
<b>Paints &amp; Adhesives</b>						
Asian Paints	43.8%	135	61	19.8%	68	220
Indigo Paints	47.0%	38	222	17.6%	91	269
Pidilite	55.0%	68	-4	23.8%	8	-16
<b>Liquor</b>						
United Breweries	43.0%	-13	20	6.0%	-106	-34
United Spirits	45.8%	107	-130	17.8%	67	-340
Radico Khaitan	44.0%	98	36	16.3%	209	39
<b>Innerwear</b>						
Page Industries	59.1%	275	-83	22.2%	-84	55
<b>QSR</b>						
Barbeque Nation	67.1%	-114	86	18.0%	-71	562
Devyani intl.	68.5%	-20	74	15.7%	-128	154
Jubilant Food.	75.3%	24	93	20.0%	54	56
Restaurant Brands	68.6%	75	30	15.5%	-40	123
Sapphire Foods	68.6%	-1	82	16.4%	-137	263
Westlife Foodworld	72.0%	192	-40	14.3%	34	250
<b>Jewelry</b>						
Kalyan	12.3%	-78	-62	6.5%	-24	21
PN Gadgil	11.9%	208	5	5.6%	52	64
Senco	14.3%	270	-273	6.7%	144	-23
Titan	23.5%	146	205	10.6%	-26	59

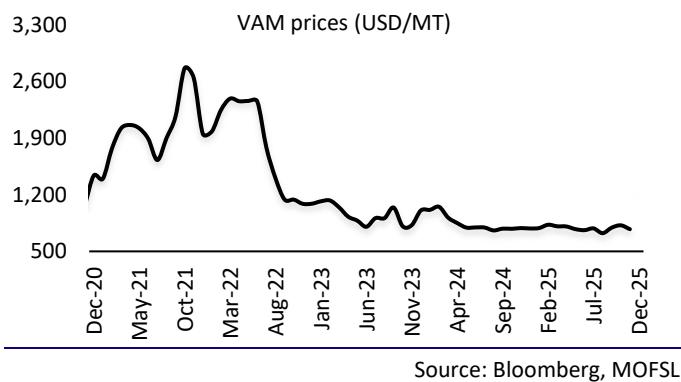
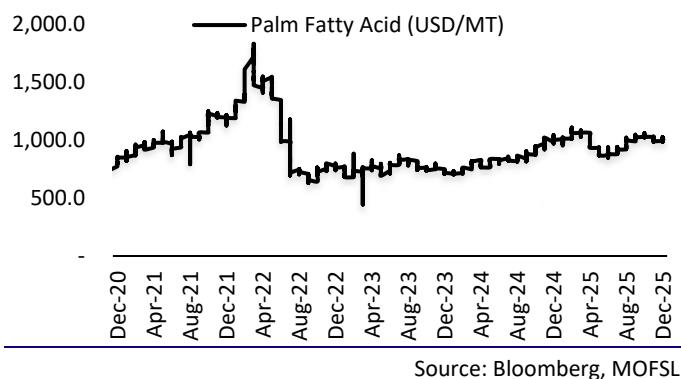
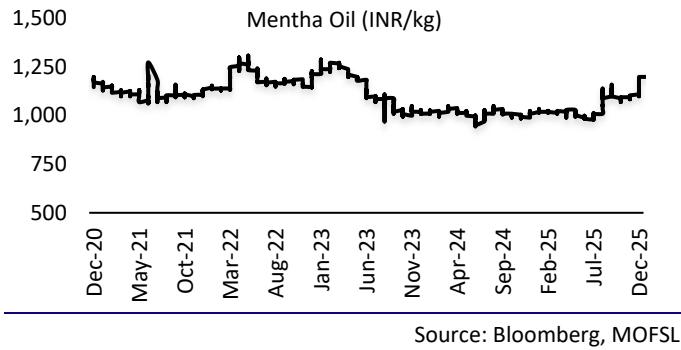
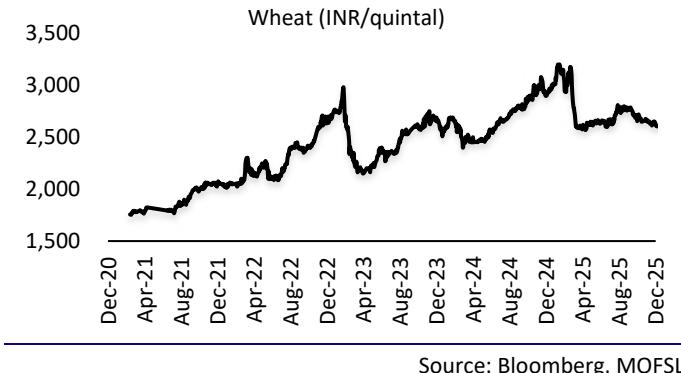
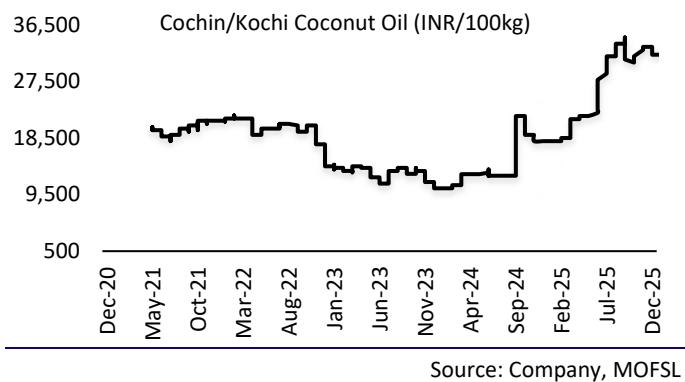
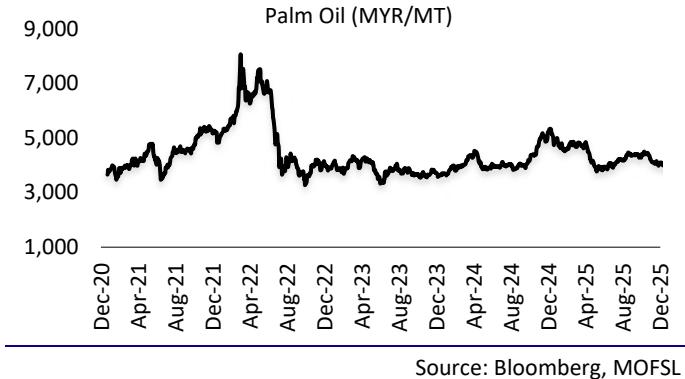
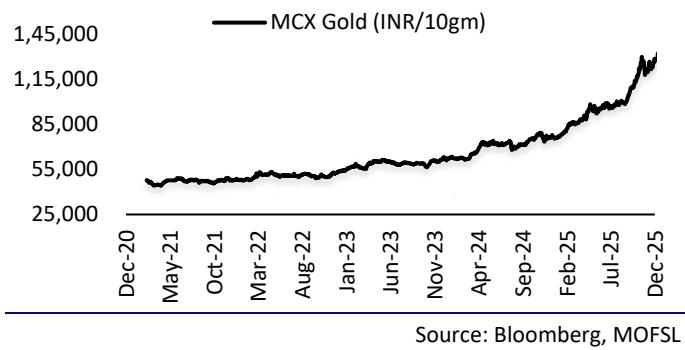
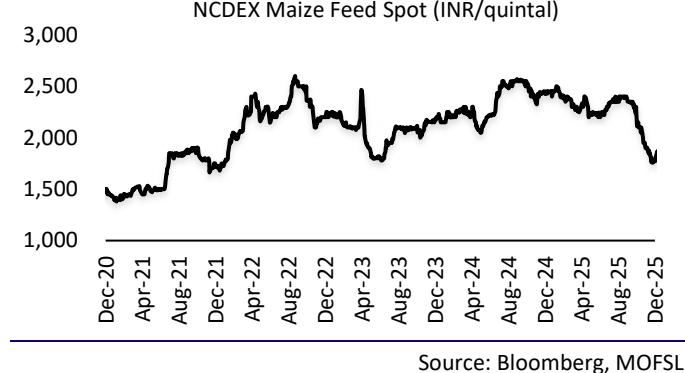
Source: Company, MOFSL

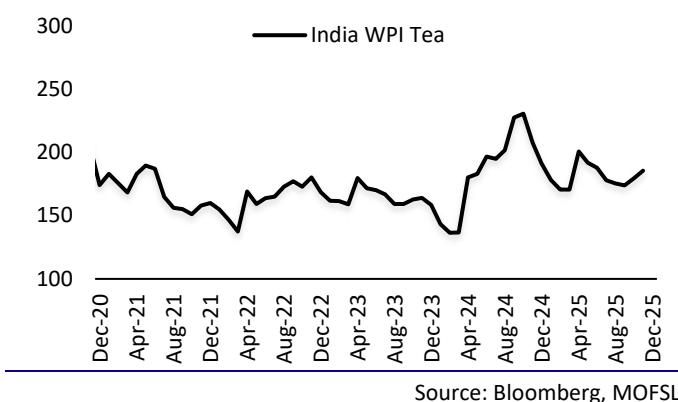
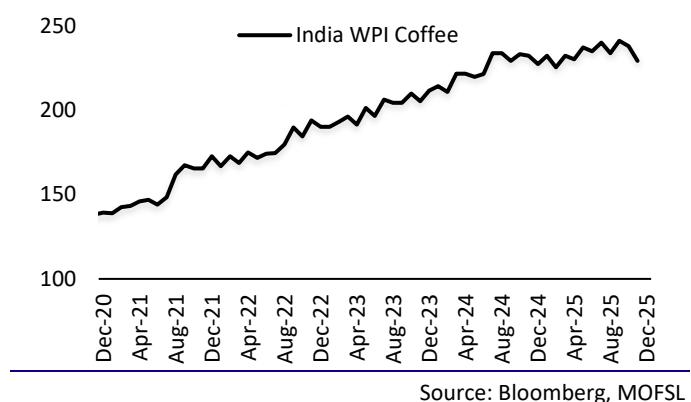
**Exhibit 10: Trend in commodity prices**

Commodity	Unit	CMP	Average prices of commodities						Change in prices (%)	
			2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	YoY	QoQ
<b>Non-Agri Commodities</b>										
Brent Crude	\$/barrel	61	80	75	76	68	69	64	-14%	-7%
Titanium Dioxide	INR/kg	300	343	344	337	327	317	302	-12%	-5%
Titanium Dioxide China	CNY/MT	13,670	15,771	15,180	15,099	14,892	13,657	13,684	-10%	0%
VAM China	USD/MT	774	778	783	809	782	767	798	2%	4%
Soda Ash	INR/50kg	1,600	1,832	1,803	1,848	1,600	1,565	1,507	-16%	-4%
Glass	India WPI Index	173	174	173	174	174	173	173	0%	0%
Gold	MCX Gold (INR/10gm)	1,31,661	71,543	76,403	83,375	94,876	1,02,287	1,24,189	63%	21%
HDPE	INR/10kg	850	1,026	964	942	928	946	875	-9%	-8%
<b>Agri Commodities</b>										
Wheat	INR/quintal	2,600	2,743	2,949	2,947	2,630	2,732	2,645	-10%	-3%
Sugar	INR/quintal	4,050	3,901	3,874	4,074	4,088	4,068	4,127	7%	1%
Mentha	INR/KG	1,125	1,012	1,002	1,021	1,007	1,062	1,094	9%	3%
Cashew	India WPI Index	194	164	170	168	172	172	185	9%	7%
Maize	INR/quintal	1,874	2,527	2,437	2,377	2,262	2,357	1,907	-22%	-19%
Molasses	India WPI Index	161	157	158	158	161	163	163	3%	0%
Barley	INR/quintal	2,298	2,221	2,396	2,391	2,276	2,304	2,296	-4%	0%
Tea	India WPI Tea	186	208	210	173	194	176	183	-13%	4%
Cocoa beans	USD/MT	6,005	8,555	8,709	9,668	9,359	7,940	5,848	-33%	-26%
Coffee	India WPI Coffee	229	232	231	230	234	239	234	1%	-2%
Tobacco	India WPI Tobacco	114	114	114	114	114	114	114	0%	0%
Milk	India WPI Milk	191	186	185	187	189	191	191	3%	0%
SMP	US\$/CWT	116	135	139	133	131	125	115	-17%	-8%
Copra	Copra WPI Index	408	175	215	234	281	391	402	87%	3%
Cotton	USD/LB	64	73	73	70	70	69	65	-10%	-5%
Yarn	NNS Cotton Yarn Hosiery Yarn Carded 30 price INR/kg India	222	233	231	231	233	228	224	-3%	-2%
<b>Oil Commodities</b>										
Palm Fatty acid	USD/MT	1,001	844	961	1,038	902	970	1,019	6%	5%
Malaysia Palm oil	MYR/MT	4,006	4,000	4,840	4,712	4,071	4,275	4,206	-13%	-2%
Coconut Oil	INR/quintal	32,750	13,617	18,781	18,460	23,131	32,223	32,059	71%	-1%
Rice Bran oil	Rice Bran oil Index	180	155	179	177	177	179	180	1%	1%
Sunflower oil	INR/MT	1,42,000	96,071	1,28,397	1,32,328	1,30,508	1,30,939	1,40,284	9%	7%

Source: Bloomberg, MOFSL

**Exhibit 11: Crude oil prices down 15% YoY/8% QoQ in Dec'25**

**Exhibit 12: TiO2 prices down 12% YoY/5% QoQ in Dec'25**


**Exhibit 13: VAM prices up 2% YoY/4% QoQ in Dec'25**

**Exhibit 15: PFAD prices up 6% YoY/5% QoQ in Dec'25**

**Exhibit 17: Mentha oil prices rose 10% YoY/4% QoQ in Dec'25**

**Exhibit 19: Wheat prices down 10% YoY/3% QoQ in Dec'25**

**Exhibit 14: Coconut oil prices up 71% YoY/flat QoQ in Dec'25**

**Exhibit 16: Malaysian palm oil prices declined 14% YoY/2% QoQ in Dec'25**

**Exhibit 18: Average gold prices rose 65% YoY/23% QoQ in Dec'25**

**Exhibit 20: Maize prices down 22% YoY/19% QoQ in Dec'25**


**Exhibit 21: India WPI tea prices down 13% YoY/up 4% QoQ in Dec'25**

**Exhibit 22: India coffee prices up 1% YoY/down 2% QoQ in Dec'25**

**Exhibit 23: Changes to our EPS estimates (%)**

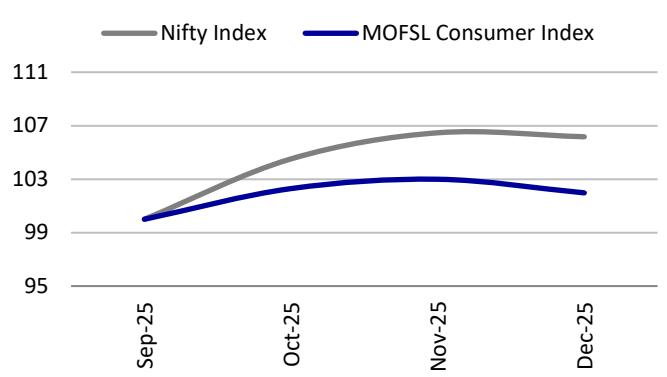
	New			Old			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
<b>Staples</b>									
Britannia	106.4	126.0	142.7	108.4	126.4	143.5	-1.9%	-0.3%	-0.6%
Colgate	50.7	56.7	61.7	51.9	57.8	63.0	-2.2%	-2.0%	-2.0%
Dabur	10.8	12.2	13.4	10.8	12.2	13.4	0.0%	0.0%	0.0%
Emami	20.3	21.9	23.6	20.3	21.9	23.6	0.0%	0.0%	0.0%
GCPL	21.4	26.5	30.5	21.4	26.5	30.5	0.0%	0.0%	0.0%
HUL	43.4	48.0	52.8	44.1	50.3	54.4	-1.5%	-4.5%	-3.0%
ITC	16.6	16.4	17.7	16.6	16.4	17.7	0.0%	0.0%	0.0%
Jyothy Lab	10.1	11.5	12.9	10.3	11.7	13.0	-2.4%	-1.1%	-0.5%
LT Foods	20.1	26.5	31.3	20.5	26.9	31.8	-2.2%	-1.6%	-1.5%
Marico	13.6	16.3	18.2	13.6	16.3	18.1	0.2%	0.1%	0.1%
Nestle	16.7	19.8	22.2	16.9	20.1	22.5	-0.9%	-1.5%	-1.6%
P&G	268.1	296.7	330.1	268.1	296.7	330.1	0.0%	0.0%	0.0%
Tata Consumer	16.8	20.3	22.2	17.0	20.1	22.1	-1.0%	0.7%	0.8%
Varun Beverages	9.0	10.7	12.7	9.1	10.7	12.8	-0.9%	-0.6%	-0.6%
Zydus Wellness	11.7	17.0	18.9	11.7	17.0	18.9	0.0%	0.0%	0.0%
<b>Paints &amp; Adhesives</b>									
Asian Paints	46.7	54.5	62.0	46.8	54.1	61.9	-0.1%	0.8%	0.1%
Indigo Paints	33.3	39.4	46.3	33.3	39.4	46.3	0.0%	0.0%	0.0%
Pidiltie	23.8	27.6	31.6	23.9	27.6	31.6	-0.3%	0.0%	0.0%
<b>Liquor</b>									
UBBL	15.1	25.0	33.5	16.4	26.3	34.1	-7.8%	-4.8%	-2.0%
UNSP	22.8	25.5	28.2	23.0	25.6	28.2	-1.0%	-0.4%	-0.1%
RDCK	42.7	54.0	65.9	41.9	53.3	65.5	2.0%	1.3%	0.7%
<b>Innerwear</b>									
Page Industries	704.4	791.2	892.4	704.4	791.2	892.4	0.0%	0.0%	0.0%
<b>QSR*</b>									
Barbeque Nation	2.0	2.3	2.5	2.0	2.3	2.5	-0.5%	-0.5%	-0.4%
Devyan	8.3	10.8	13.3	8.2	10.8	13.3	1.6%	0.0%	0.0%
Jubilant	18.5	21.5	25.1	18.5	21.5	25.1	0.0%	0.0%	0.0%
RBA	3.3	4.8	6.3	3.3	5.0	6.6	0.0%	-3.0%	-3.1%
Sapphire	4.6	5.7	6.4	4.8	5.9	6.6	-3.2%	-3.2%	-3.1%
Westlife	3.4	4.0	4.7	3.4	4.1	4.9	0.0%	-2.6%	-4.4%
<b>Jewelry</b>									
Kalyan	11.4	14.6	17.2	11.4	14.6	17.3	-0.2%	-0.1%	-0.1%
PN Gadgil	25.2	29.8	35.1	25.1	29.5	34.8	0.3%	0.8%	0.8%
Senco	17.6	18.3	22.4	17.7	18.5	22.6	-0.7%	-1.1%	-0.7%
Titan	56.8	67.2	79.5	56.8	67.2	79.5	0.0%	0.0%	0.0%

Source: Company, MOFSL \*For QSR, it is change in our EBITDA estimates

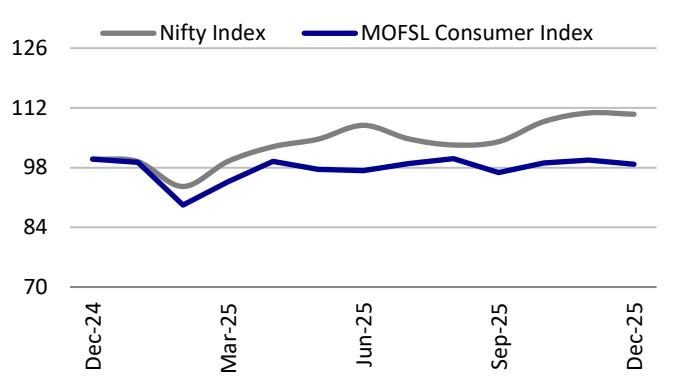
**Comparative valuations**

Company	Reco	CMP (INR)	TP (INR)	EPS (INR)				EPS Growth YoY (%)				P/E (x)			EV/EBITDA (x)			ROE (%)			Div. Yield
				FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	
<b>Staples</b>																					
BRIT	Buy	5,982	7,150	106.4	126.0	142.7	16	18	13	56	47	42	39	33	29	54	54	50	50	1.3	
CLGT	Buy	2,089	2,700	50.7	56.7	61.7	-1	12	9	41	37	34	29	26	24	86	101	110	2.6		
DABUR	Neutral	522	535	10.8	12.2	13.4	7	12	10	48	43	39	34	30	27	17	18	20	1.8		
HMN	Buy	522	675	20.3	21.9	23.6	0	8	8	26	24	22	22	19	18	31	30	30	2.2		
GCPL	Buy	1,236	1,450	21.4	26.5	30.5	16	24	15	58	47	41	40	34	30	18	21	23	1.8		
HUVR	Buy	2,348	2,800	43.4	48.0	52.8	-2	11	10	54	49	44	36	33	30	21	23	24	1.8		
ITC	Neutral	350	400	16.6	16.4	17.7	4	-1	8	21	21	20	15	16	14	29	28	30	4.3		
JYL	Neutral	284	325	10.1	11.5	12.9	-1	14	12	28	25	22	20	17	15	18	19	20	1.9		
L T Foods	Buy	390	550	20.1	26.5	31.3	15	32	18	19	15	12	12	9	8	17	19	19	1.3		
MRCO	Buy	758	875	13.6	16.3	18.2	10	20	11	56	46	42	41	34	30	43	49	50	1.6		
NESTLE	Neutral	1,280	1,300	16.7	19.8	22.2	4	19	12	77	65	58	47	41	37	77	85	87	1.2		
PG	Neutral	12,883	14,000	268.1	296.7	330.1	37	11	11	48	43	39	35	32	29	106	96	89	1.7		
TATACON	Buy	1,170	1,475	16.8	20.3	22.2	20	21	9	70	58	53	41	34	31	8	9	10	0.6		
VBL	Buy	494	576	9.0	10.7	12.7	17	19	19	55	46	39	33	28	24	17	18	18	0.5		
Zydus	Buy	472	575	11.7	17.0	18.9	9	45	11	40	28	25	33	22	18	6	9	10	0.4		
<b>Paints</b>																					
APNT	Neutral	2,772	3,000	46.7	54.5	62.0	10	17	14	59	51	45	40	34	30	23	26	27	1.5		
INDIGOPN	Buy	1,170	1,450	33.3	39.4	46.3	12	18	18	35	30	25	20	17	14	15	15	15	0.7		
PIDI	Neutral	1,478	1,500	23.8	27.6	31.6	15	16	14	62	54	47	43	38	33	23	24	24	0.8		
<b>Innerwear</b>																					
PAGE	Buy	35,767	44,500	704.4	791.2	892.4	8	12	13	51	45	40	35	31	27	47	44	42	1.3		
<b>Liquor</b>																					
RDCK	Buy	3,095	3,550	42.7	54.0	65.9	66	26	22	72	57	47	44	36	31	18	19	20	0.3		
UBBL	Neutral	1,596	1,700	15.1	25.0	33.5	-14	65	34	106	64	48	53	38	30	9	14	17	0.4		
UNSP	Neutral	1,381	1,550	22.8	25.5	28.2	16	12	10	61	54	49	42	37	33	17	16	15	0.9		
<b>QSR</b>																					
UFBL	Neutral	216	235	-14.3	-13.6	-12.7	Loss	Loss	Loss	NM	NM	NM	5	4	4	-18	-21	-24	0.0		
DEVYANI	Buy	148	180	-0.1	1.2	2.2	PL	LP	89	NM	127	67	26	20	16	-1	26	59	0.0		
JUBI	Neutral	553	635	5.3	8.1	10.7	48	53	31	104	68	52	22	19	16	17	26	32	0.3		
RBA	Buy	65	120	-3.2	-1.7	-0.6	Loss	Loss	Loss	NM	NM	NM	11	8	6	-23	-15	-5	0.0		
SAPPHIRE	Buy	253	325	-0.1	1.7	2.4	PL	LP	42	NM	148	104	17	14	12	-0	4	5	0.0		
WESTLIFE	Neutral	539	600	-0.2	1.5	4.4	PL	LP	187	NM	354	123	29	24	21	-1	4	10	0.0		
<b>Jewelry</b>																					
KALYANKJ	Buy	496	650	11.4	14.6	17.2	45	28	18	44	34	29	25	20	17	22	24	25	0.6		
PNG	Buy	612	825	25.2	29.8	35.1	45	18	18	24	21	17	15	13	20	19	19	0.0			
SENCO	Neutral	324	365	17.6	18.3	22.4	42	4	23	18	18	14	11	11	9	14	13	14	0.5		
TTAN	Buy	4,051	4,650	56.8	67.2	79.5	34	18	18	71	60	51	44	39	33	38	35	32	0.4		

Source: Company, MOFSL

**Exhibit 24: Relative performance – three months (%)**


Source: MOFSL, Company

**Exhibit 25: One-year relative performance (%)**


Source: MOFSL, Company

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL Coverage Universe. Highlighted columns indicate the quarter/financial year under review.

## Asian Paints

Neutral

CMP: INR2,772 | TP: INR3,000 (+8%)

EPS CHANGE (%): FY26 | FY27 | FY28: - | +1 | -

- We model 6.5% revenue growth in 3Q on a weak base. Two-year revenue CAGR is flat.
- APNT aims to achieve mid-single-digit value growth in domestic decorative paints in FY26.
- Volume growth expected to be 12% in domestic decorative paints. The gap in volume and value growth is due to down trading.
- We expect GP margin expansion of 140bp YoY to 43.8% on deflation in RM prices. EBITDA margin expected to improve 70bp YoY to 19.8%.

### Quarterly Performance (Consol.)

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Est. Dom. Deco. Vol. growth (%)	7.0	-0.5	1.6	1.8	3.9	10.9	12.0	13.2	2.5	10.0
Net Sales	89,697	80,275	85,494	83,589	89,386	85,313	91,052	92,023	3,39,056	3,57,773
Change (%)	-2.3	-5.3	-6.1	-4.3	-0.3	6.3	6.5	10.1	-4.5	5.5
Gross Profit	38,152	32,732	36,291	36,724	38,155	36,849	39,881	40,596	1,43,898	1,55,481
Gross Margin (%)	42.5	40.8	42.4	43.9	42.7	43.2	43.8	44.1	42.4	43.5
EBITDA	16,938	12,395	16,367	14,362	16,250	15,034	18,050	16,799	60,062	66,133
Margin (%)	18.9	15.4	19.1	17.2	18.2	17.6	19.8	18.3	17.7	18.5
Change (%)	-20.2	-27.8	-20.4	-15.1	-4.1	21.3	10.3	17.0	-20.8	10.1
Interest	554	630	558	528	445	439	455	473	2,270	1,812
Depreciation	2,277	2,420	2,556	3,011	3,009	3,049	3,100	3,195	10,263	12,353
Other Income	1,562	1,736	1,430	999	1,928	1,986	1,800	1,042	5,726	6,757
PBT	15,669	11,081	14,683	11,822	14,724	13,532	16,295	14,174	53,255	58,725
Tax	4,168	2,654	3,897	3,214	3,917	3,733	3,992	3,333	13,934	14,975
Effective Tax Rate (%)	26.6	23.9	26.5	27.2	26.6	27.6	24.5	23.5	26.2	25.5
Adjusted PAT	11,868	8,738	11,284	8,838	11,171	10,182	12,502	10,941	40,728	44,796
Change (%)	-24.6	-29.1	-23.5	-30.7	-5.9	16.5	10.8	23.8	-26.7	10.0

E: MOFSL Estimates

## Britannia Industries

Buy

CMP: INR5,982 | TP: INR 7,150 (+20%)

EPS CHANGE (%): FY26 | FY27 | FY28: -2 | - |

- We expect 12.5% revenue growth YoY, led by volume growth of 8%. The growth will be led by gram mage hikes in LUPs (60-65% sales mix).
- GP margin is expected to expand 300bp YoY to 41.7% on a low base, and EBITDA margin is likely to improve 90bp YoY to 19.3%.
- BRIT continues to focus on innovation and distribution channels to gain market share.

### Consol. Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Base business volume growth (%)	8.0	8.0	6.0	3.0	2.0	-3.0	8.0	11.0	6.3	4.5
Net Revenue	41,299	45,662	44,633	43,756	45,349	47,522	50,212	50,873	1,75,350	1,93,956
YoY change (%)	4.0	4.5	6.5	9.0	9.8	4.1	12.5	16.3	6.0	10.6
Other operating income	1,204	1,013	1,293	566	874	885	925	1,036	4,077	3,719
YoY change (%)	194.6	62.4	100.5	2.4	-27.4	-12.7	-28.5	83.0	82.8	-8.8
Total Revenue	42,503	46,676	45,926	44,322	46,222	48,406	51,137	51,909	1,79,427	1,97,675
YoY change (%)	6.0	5.3	7.9	8.9	8.8	3.7	11.3	17.1	7.0	10.2
Gross Profit	18,449	19,381	17,784	17,773	18,631	20,177	21,324	21,507	73,386	81,640
Margins (%)	43.4	41.5	38.7	40.1	40.3	41.7	41.7	41.4	40.9	41.3
EBITDA	7,537	7,834	8,449	8,052	7,571	9,545	9,874	9,619	31,872	36,609
Margins (%)	17.7	16.8	18.4	18.2	16.4	19.7	19.3	18.5	17.8	18.5
YoY growth (%)	9.4	-10.2	2.9	2.3	0.4	21.8	16.9	19.5	0.5	14.9
Depreciation	739	761	824	810	820	851	860	870	3,133	3,401
Interest	290	346	446	307	262	347	375	390	1,388	1,373
Other Income	556	460	625	630	570	521	620	694	2,271	2,405
PBT	7,064	7,187	7,804	7,566	7,059	8,869	9,259	9,053	29,621	34,240
Tax	1,762	1,836	1,961	1,928	1,809	2,286	2,333	2,190	7,487	8,618
Rate (%)	24.9	25.5	25.1	25.5	25.6	25.8	25.2	24.2	25.3	25.2
Adjusted PAT	5,295	5,317	5,823	5,591	5,201	6,551	6,898	6,865	22,027	25,515
YoY change (%)	16.3	-9.3	4.3	4.2	-1.8	23.2	18.5	22.8	3.1	15.8

E: MOFSL Estimates

## Colgate

Buy

CMP: INR2,089 | TP: INR2,700 (+29%)

EPS CHANGE (%): FY26|FY27|FY28: -2|-2|-2

- Demand remained subdued for the company during the quarter. We model a revenue growth of ~2% and volume growth of ~1% in 3Q.
- Around 95% of Colgate's portfolio witnessed a GST rate cut from 18% to 5% under GST 2.0. This cut is leading to a trade disruption in the first half of 3Q.
- GP margin is expected to contract 40bp YoY to 69.5%, and EBITDA margin is expected to contract 30bp YoY to 30.8%.

### Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Volume Gr %	7.0	8.0	4.0	0.0	-3.0	-5.0	1.0	7.0	4.8	0.0
Net Sales (includg. OOI)	14,967	16,191	14,618	14,625	14,341	15,195	14,938	15,992	60,402	60,465
YoY change (%)	13.1	10.1	4.7	-1.8	-4.2	-6.2	2.2	9.3	6.3	0.1
Gross Profit	10,574	11,098	10,220	10,327	9,884	10,553	10,382	11,204	42,219	42,023
Gross margin (%)	70.6	68.5	69.9	70.6	68.9	69.5	69.5	70.1	69.9	69.5
EBITDA	5,083	4,974	4,544	4,980	4,526	4,654	4,601	5,598	19,581	19,379
Margins (%)	34.0	30.7	31.1	34.1	31.6	30.6	30.8	35.0	32.4	32.1
YoY growth (%)	21.6	3.2	-3.0	-6.4	-11.0	-6.4	1.3	12.4	3.0	-1.0
Depreciation	415	417	411	384	375	372	448	570	1,627	1,766
Interest	10	12	11	11	10	10	12	15	43	48
Financial other Income	234	195	204	191	179	150	220	328	824	878
PBT	4,893	4,740	4,325	4,776	4,320	4,423	4,361	5,341	18,734	18,444
Tax	1,253	1,354	1,097	1,226	1,113	1,148	1,099	1,282	4,930	4,642
Rate (%)	25.6	28.6	25.4	25.7	25.8	25.9	25.2	24.0	26.3	25.2
Adj PAT	3,640	3,555	3,228	3,550	3,206	3,275	3,262	4,059	13,973	13,801
YoY change (%)	26.2	4.6	-2.2	-6.5	-11.9	-7.9	1.1	14.3	4.4	-1.2
Reported PAT	3,640	3,951	3,228	3,550	3,206	3,275	3,262	4,059	14,368	13,801

E: MOFSL Estimates

## Dabur

Neutral

CMP: INR522 | TP: INR535 (+2%)

EPS CHANGE (%): FY26|FY27|FY28: -|-|-|

- We expect ~7.5 revenue growth, mainly backed by 5% volume growth in the India business. The growth will be led by the loading of the winter portfolio and some benefits of GST.
- GP margin is expected to expand 70bp YoY to 48.8% and EBITDA is expected to improve by 20bp YoY to 20.5%.
- Home and Personal Care (HPC) division is expected to perform well, driven by the oral, OTC, and Ethicals, home and skin care categories.
- International business is likely to deliver high single-digit CC growth, fueled by MENA, Turkey, Bangladesh, and the US Namaste business.

### Quarterly Performance (Consolidated)

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Domestic FMCG vol. growth (%)	5.2	-7.0	1.2	-5.0	-1.0	2.0	5.0	12.0	-1.4	4.5
Net sales	33,491	30,286	33,553	28,301	34,046	31,913	36,057	31,073	1,25,631	1,33,089
YoY change (%)	7.0	-5.5	3.1	0.6	1.7	5.4	7.5	9.8	1.3	5.9
Gross profit	16,005	14,943	16,124	13,211	16,013	15,778	17,596	14,762	60,282	64,149
Margin (%)	47.8	49.3	48.1	46.7	47.0	49.4	48.8	47.5	48.0	48.2
EBITDA	6,550	5,526	6,819	4,269	6,678	5,881	7,392	5,070	23,163	25,021
Margins (%)	19.6	18.2	20.3	15.1	19.6	18.4	20.5	16.3	18.4	18.8
YoY growth (%)	8.3	-16.4	2.1	-8.6	2.0	6.4	8.4	18.8	-3.5	8.0
Depreciation	1,091	1,110	1,086	1,169	1,141	1,154	1,194	1,172	4,456	4,661
Interest	327	474	442	393	346	397	375	357	1,635	1,475
Other income	1,294	1,515	1,280	1,412	1,440	1,401	1,400	1,462	5,501	5,703
PBT	6,427	5,457	6,571	4,119	6,630	5,731	7,223	5,003	22,573	24,588
Tax	1,481	1,284	1,418	992	1,543	1,282	1,769	1,428	5,175	6,023
Rate (%)	23.0	23.5	21.6	24.1	23.3	22.4	24.5	28.5	22.9	24.5
Adjusted PAT	5,084	4,333	5,306	3,284	5,222	4,608	5,615	3,777	18,006	19,222
YoY change (%)	7.7	-17.2	1.6	-8.2	2.7	6.4	5.8	15.0	-4.0	6.7

E: MOFSL Estimates

**Emami**
**Buy**
**CMP: INR522 | TP: INR675 (+29%)**
**EPS CHANGE (%): FY26|FY27|FY28: -|-|**

- We model 11% revenue growth and 13% volume growth, led by the loading of winter products and normalization of trade post-GST implementation.
- Kesh King has seen improvement, and the product re-launched in 2Q will also contribute to the growth.

- GM is expected to flat YoY at 70.4% and EBITDA margin is likely to expand 80bp YoY to 33.4% led by operating leverage.
- International business expected to deliver 10% revenue growth in 3Q.

**Consol. Quarterly performance**
**(INR m)**

Y/E MARCH	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Domestic volume growth (%)	8.7	1.7	4.0	5.0	-3.0	-16.0	13.0	16.0	4.9	2.5
<b>Net Sales</b>	<b>9,061</b>	<b>8,906</b>	<b>10,495</b>	<b>9,631</b>	<b>9,041</b>	<b>7,985</b>	<b>11,623</b>	<b>10,829</b>	<b>38,092</b>	<b>39,478</b>
YoY change (%)	9.7	3.0	5.3	8.1	-0.2	-10.3	10.8	12.4	6.5	3.6
<b>Gross Profit</b>	<b>6,131</b>	<b>6,296</b>	<b>7,377</b>	<b>6,346</b>	<b>6,276</b>	<b>5,671</b>	<b>8,177</b>	<b>7,115</b>	<b>26,150</b>	<b>27,240</b>
Gross margin (%)	67.7	70.7	70.3	65.9	69.4	71.0	70.4	65.7	68.6	69.0
<b>EBITDA</b>	<b>2,165</b>	<b>2,505</b>	<b>3,387</b>	<b>2,194</b>	<b>2,142</b>	<b>1,785</b>	<b>3,852</b>	<b>2,576</b>	<b>10,251</b>	<b>10,355</b>
Margins (%)	23.9	28.1	32.3	22.8	23.7	22.4	33.1	23.8	26.9	26.2
YoY change	13.9	7.2	7.6	4.0	-1.1	-28.7	13.7	17.4	8.0	1.0
Depreciation	444	447	456	435	445	453	452	459	1,782	1,808
Interest	21	23	22	28	24	26	23	17	93	90
Other Income	105	216	149	212	216	214	175	207	681	812
<b>PBT</b>	<b>1,805</b>	<b>2,251</b>	<b>3,059</b>	<b>1,943</b>	<b>1,889</b>	<b>1,520</b>	<b>3,552</b>	<b>2,308</b>	<b>9,057</b>	<b>9,269</b>
Tax	278	94	224	315	225	18	426	443	911	1,112
Rate (%)	15.4	4.2	7.3	16.2	11.9	1.2	12.0	19.2	10.1	12.0
<b>Adj. PAT</b>	<b>1,702</b>	<b>2,333</b>	<b>3,006</b>	<b>1,812</b>	<b>1,843</b>	<b>1,711</b>	<b>3,306</b>	<b>2,021</b>	<b>8,853</b>	<b>8,873</b>
YoY change (%)	20.5	18.6	6.3	8.6	8.3	-26.7	10.0	11.5	12.4	0.2
<b>Reported PAT</b>	<b>1,506</b>	<b>2,110</b>	<b>2,790</b>	<b>1,622</b>	<b>1,643</b>	<b>1,484</b>	<b>3,103</b>	<b>1,830</b>	<b>8,027</b>	<b>8,059</b>
YoY change (%)	10.1	17.2	7.0	10.5	9.1	-29.7	11.2	12.8	10.9	0.4

E: MOFSL Estimates

**Godrej Consumer**
**Buy**
**CMP: INR1,236 | TP: INR1,450 (+17%)**
**EPS CHANGE (%): FY26|FY27|FY28: -|-|**

- We expect 8% volume and revenue growth in the India business. Soaps portfolio (1/3<sup>rd</sup> of India) impacted in 2Q due to GST will see improvement. Home care expected to deliver double-digit growth.
- We model revenue growth of (-2%)/23%/(-5%) in Indonesia/GAUM and other international businesses.

- India business gross margins expected to be stable YoY at 54.8 while EBITDA margin expected to improve 180bp YoY to 24.4% on a favorable base (22.7% in 3QFY25). Indonesia and other international business EBITDA are expected to decline, while GAUM EBITDA is expected to rise in double digits. Consolidated EBITDA is expected to grow 14% YoY.

**Quarterly Performance (Consolidated)**
**(INR m)**

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
<b>Domestic volume Growth (%)</b>	<b>8</b>	<b>7</b>	<b>0</b>	<b>4</b>	<b>5</b>	<b>3</b>	<b>8</b>	<b>10</b>	<b>5</b>	<b>7</b>
<b>Net Sales (including OOI)</b>	<b>33,316</b>	<b>36,663</b>	<b>37,684</b>	<b>35,980</b>	<b>36,619</b>	<b>38,251</b>	<b>41,602</b>	<b>39,602</b>	<b>1,43,643</b>	<b>1,57,545</b>
YoY change (%)	-3.4	1.8	3.0	6.3	9.9	4.3	10.4	10.1	1.9	9.7
<b>Gross Profit</b>	<b>18,608</b>	<b>20,381</b>	<b>20,402</b>	<b>18,890</b>	<b>19,005</b>	<b>19,931</b>	<b>22,466</b>	<b>21,941</b>	<b>78,282</b>	<b>83,343</b>
Margin (%)	55.9	55.6	54.1	52.5	51.9	52.1	54.0	55.4	54.5	52.9
Other Operating Exp.	11,346	12,764	12,843	11,298	12,060	12,598	13,835	13,593	48,251	52,033
<b>EBITDA</b>	<b>7,262</b>	<b>7,617</b>	<b>7,559</b>	<b>7,592</b>	<b>6,946</b>	<b>7,333</b>	<b>8,631</b>	<b>8,348</b>	<b>30,031</b>	<b>31,310</b>
Margins (%)	21.8	20.8	20.1	21.1	19.0	19.2	20.7	21.1	20.9	19.9
YoY growth (%)	6.5	5.3	-16.4	-0.2	-4.4	-3.7	14.2	10.0	-2.2	4.3
Depreciation	495	501	619	726	594	656	650	624	2,340	2,524
Interest	878	831	897	896	865	759	755	769	3,501	3,147
Other Income	751	843	831	737	845	629	900	1,200	3,161	3,573
<b>PBT</b>	<b>6,623</b>	<b>7,107</b>	<b>6,874</b>	<b>6,708</b>	<b>6,332</b>	<b>6,547</b>	<b>8,126</b>	<b>8,155</b>	<b>27,312</b>	<b>29,212</b>
Tax	1,933	2,154	1,834	2,275	1,613	1,657	2,032	2,002	8,196	7,303
Rate (%)	29.2	30.3	26.7	33.9	25.5	25.3	25.0	24.6	30.0	25.0
<b>Adj PAT</b>	<b>4,649</b>	<b>4,953</b>	<b>5,025</b>	<b>4,321</b>	<b>4,669</b>	<b>4,811</b>	<b>6,095</b>	<b>6,153</b>	<b>18,948</b>	<b>21,909</b>
YoY change (%)	23.6	12.2	-14.3	-24.8	0.4	-2.9	21.3	42.4	-4.2	15.6
<b>Reported PAT</b>	<b>4,507</b>	<b>4,913</b>	<b>4,983</b>	<b>4,119</b>	<b>4,525</b>	<b>4,593</b>	<b>6,095</b>	<b>6,153</b>	<b>18,522</b>	<b>21,909</b>

E: MOFSL Estimate

## Hindustan Unilever

Buy

CMP: INR2,348 | TP: INR2,800 (+19%)

EPS CHANGE (%): FY26|FY27: -2|-5|-3

- The organic business is expected to deliver 4% revenue growth led by 3% volume growth. Reported revenue growth has been 2% due to the demerger of the ice cream business.
- The transitory impact of GST rate rationalization (which hit 40% of HUL's portfolio) weighed on the first half of 3Q.
- We model revenue growth of 3% in home care and personal care each, 8% in Beauty and Wellbeing, and 2% in F&B

- Reported EBITDA margin is expected to decline marginally by ~20bp to 23.2%. On an underlying, like-for-like basis, margins have contracted by ~60bp. However, at the reported level, margins benefit by ~50–60bp due to the demerger of the ice-cream business, which was a low-margin segment.

### Quarterly performance (Consolidated)

(INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
<b>Domestic volume growth (%)</b>	4.0	3.0	0.0	2.0	4.0	0.0	3.0	5.0	2.0	3.0
<b>Total revenue</b>	<b>157.1</b>	<b>159.3</b>	<b>158.2</b>	<b>156.7</b>	<b>165.1</b>	<b>162.5</b>	<b>161.0</b>	<b>164.2</b>	<b>631.2</b>	<b>652.7</b>
YoY change (%)	1.4	1.9	1.6	3.0	5.1	2.0	1.8	4.8	2.0	3.4
<b>Gross Profit</b>	<b>81.6</b>	<b>82.2</b>	<b>81.2</b>	<b>80.5</b>	<b>82.7</b>	<b>83.6</b>	<b>82.4</b>	<b>84.2</b>	<b>325.4</b>	<b>332.9</b>
Margin %	52.0	51.6	51.3	51.4	50.1	51.4	51.2	51.2	51.6	51.0
<b>EBITDA</b>	<b>37.4</b>	<b>37.9</b>	<b>37.0</b>	<b>36.2</b>	<b>37.2</b>	<b>37.4</b>	<b>37.4</b>	<b>37.9</b>	<b>148.5</b>	<b>149.7</b>
YoY change (%)	2.2	-0.1	0.8	2.4	-0.7	-1.4	1.2	4.6	1.3	0.8
Margins (%)	23.8	23.8	23.4	23.1	22.5	23.0	23.2	23.0	23.5	22.9
Depreciation	3.3	3.4	3.4	3.5	3.6	3.6	3.6	3.6	13.6	14.4
Interest	0.9	1.1	1.1	0.8	1.3	1.3	1.1	0.9	4.0	4.5
Other income	2.6	2.2	2.3	3.1	2.0	1.5	1.6	1.7	10.2	6.8
<b>PBT</b>	<b>35.8</b>	<b>35.6</b>	<b>34.7</b>	<b>35.0</b>	<b>34.3</b>	<b>34.0</b>	<b>34.3</b>	<b>35.0</b>	<b>141.2</b>	<b>137.5</b>
Tax	9.2	9.5	9.9	8.9	5.4	8.8	8.6	8.9	37.4	31.6
Rate (%)	25.6	26.6	28.6	25.3	15.6	25.8	25.0	25.5	26.5	23.0
<b>PAT bei</b>	<b>26.5</b>	<b>26.0</b>	<b>26.0</b>	<b>25.7</b>	<b>25.3</b>	<b>25.0</b>	<b>25.7</b>	<b>26.0</b>	<b>104.2</b>	<b>102.0</b>
YoY change (%)	2.5	-2.1	2.9	2.6	-4.5	-4.0	-1.3	1.4	1.4	-2.1
<b>Reported Profit</b>	<b>26.1</b>	<b>25.9</b>	<b>29.8</b>	<b>24.6</b>	<b>27.6</b>	<b>27.0</b>	<b>25.7</b>	<b>26.0</b>	<b>106.5</b>	<b>105.6</b>

E: MOFSL Estimates

## Indigo Paints

Buy

CMP: INR1,170 | TP: INR1,450 (+24%)

EPS CHANGE (%): FY26|FY27|FY28: -|-|-

- We expect 9% revenue growth in 3QFY26, ahead of industry growth but below the management's earlier guidance of double-digit growth.
- Demand was soft in Oct after the festive season, while a meaningful pickup was seen in Nov'25.

- GP margin expected to improve 40bp YoY to 47%. EBITDA margins expected to improve 90bp YoY to 17.6%.
- The company does not expect to take price hikes in the near term.

### Consolidated Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
<b>Net Sales</b>	<b>3,110</b>	<b>2,995</b>	<b>3,426</b>	<b>3,876</b>	<b>3,089</b>	<b>3,121</b>	<b>3,745</b>	<b>4,374</b>	<b>13,407</b>	<b>14,328</b>
Change (%)	7.8	7.4	-3.2	0.7	-0.7	4.2	9.3	12.9	2.6	6.9
Raw Material/PM	1,661	1,686	1,829	2,061	1,671	1,723	1,985	2,315	7,237	7,694
<b>Gross Profit</b>	<b>1,449</b>	<b>1,309</b>	<b>1,597</b>	<b>1,815</b>	<b>1,418</b>	<b>1,397</b>	<b>1,760</b>	<b>2,059</b>	<b>6,170</b>	<b>6,634</b>
Gross Margin (%)	46.6	43.7	46.6	46.8	45.9	44.8	47.0	47.1	46.0	46.3
<b>EBITDA</b>	<b>474</b>	<b>415</b>	<b>572</b>	<b>874</b>	<b>443</b>	<b>465</b>	<b>659</b>	<b>1,023</b>	<b>2,335</b>	<b>2,591</b>
Margin (%)	15.2	13.9	16.7	22.6	14.3	14.9	17.6	23.4	17.4	18.1
Change (%)	-3.5	-1.5	-8.1	3.3	-6.5	12.1	15.2	17.1	-1.9	11.0
Interest	6	7	6	15	7	7	12	14	35	40
Depreciation	152	154	147	132	148	151	162	165	585	626
Other Income	42	51	31	60	60	30	45	66	185	200
<b>PBT</b>	<b>357</b>	<b>306</b>	<b>450</b>	<b>787</b>	<b>348</b>	<b>338</b>	<b>530</b>	<b>910</b>	<b>1,900</b>	<b>2,125</b>
Tax	90	83	92	213	87	85	134	229	478	535
Effective Tax Rate (%)	25.3	27.2	20.4	27.0	25.0	25.2	25.2	25.2	25.2	25.2
<b>Adjusted PAT</b>	<b>262</b>	<b>226</b>	<b>360</b>	<b>569</b>	<b>259</b>	<b>251</b>	<b>395</b>	<b>681</b>	<b>1,418</b>	<b>1,586</b>
Change (%)	-15.6	-10.6	-3.3	6.0	-1.0	10.9	9.8	19.6	-3.8	11.9

E: MOFSL Estimates

**ITC**
**Neutral**
**CMP: INR350 | TP: INR400 (+14%)**
**EPS CHANGE (%): FY26|FY27|FY28: -|-|**

- The cigarette business is expected to show stable volumes and pricing, with the portfolio continuing to grow, aided by improvements in the product mix. We model 6% volume growth and 7% revenue growth in 3Q.
- FMCG business expected to post healthy growth. We model 9% revenue growth.
- The agriculture segment performed well during the quarter. We model 20% revenue growth.

- We model 6% YoY growth in cigarette EBIT, though margins may contract by 30bp due to rising leaf tobacco prices. In the FMCG business, we expect a 38% EBIT growth, with a 160bp margin expansion.
- In the paper segment, sequential improvement can be seen due to an increase in paper prices. We model 7% revenue and 5% EBIT growth.

**Consol. Quarterly Performance (Reported)**
**(INR b)**

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q*	4Q*	1Q*	2Q*	3QE	4QE		
<b>Est. cigarette vol. gr. (%)</b>	<b>3.0</b>	<b>3.5</b>	<b>6.0</b>	<b>5.0</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>	<b>-5.5</b>	<b>4.4</b>	<b>3.1</b>
<b>Net Sales</b>	<b>184.6</b>	<b>207.4</b>	<b>187.9</b>	<b>187.7</b>	<b>214.9</b>	<b>195.0</b>	<b>207.1</b>	<b>200.9</b>	<b>767.5</b>	<b>818.0</b>
YoY change (%)	7.5	16.7	4.3	4.7	16.5	-6.0	10.2	7.1	8.3	6.6
<b>Gross Profit</b>	<b>111.7</b>	<b>115.9</b>	<b>108.3</b>	<b>110.3</b>	<b>112.6</b>	<b>113.6</b>	<b>119.1</b>	<b>116.0</b>	<b>446.2</b>	<b>461.3</b>
Margin (%)	60.5	55.9	57.6	58.8	52.4	58.3	57.5	57.7	58.1	56.4
<b>EBITDA</b>	<b>67.5</b>	<b>67.6</b>	<b>63.6</b>	<b>65.2</b>	<b>68.2</b>	<b>66.9</b>	<b>67.8</b>	<b>66.6</b>	<b>263.9</b>	<b>271.8</b>
Growth (%)	1.2	4.8	-2.2	-1.6	1.0	-1.0	6.5	2.2	0.5	3.0
Margins (%)	36.6	32.6	33.9	34.7	31.7	34.3	32.7	33.2	34.4	33.2
Depreciation	5.0	5.2	4.2	4.1	4.2	4.3	4.5	4.6	18.5	17.7
Interest	0.1	0.2	0.1	0.1	0.2	0.2	0.2	0.0	0.5	0.5
Other Income	6.9	6.2	6.0	6.4	6.8	5.8	6.9	7.7	25.5	27.3
<b>PBT</b>	<b>69.3</b>	<b>68.4</b>	<b>65.3</b>	<b>67.4</b>	<b>70.6</b>	<b>68.2</b>	<b>69.9</b>	<b>69.7</b>	<b>270.4</b>	<b>280.8</b>
Tax	17.6	17.9	17.3	16.8	17.8	17.9	17.6	17.3	69.6	70.7
Rate (%)	25.4	26.2	26.4	24.9	25.3	26.3	25.2	24.8	25.7	25.2
<b>Adj PAT</b>	<b>50.9</b>	<b>49.9</b>	<b>47.3</b>	<b>50.7</b>	<b>52.4</b>	<b>50.6</b>	<b>51.7</b>	<b>51.0</b>	<b>198.9</b>	<b>207.8</b>
YoY change (%)	-0.2	2.0	-11.4	-0.9	3.0	1.3	9.4	0.5	-2.8	4.5
<b>Reported PAT</b>	<b>50.9</b>	<b>49.9</b>	<b>47.3</b>	<b>50.7</b>	<b>52.4</b>	<b>51.3</b>	<b>51.7</b>	<b>51.0</b>	<b>199.9</b>	<b>207.8</b>

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

**Jyothy Labs.**
**Neutral**
**CMP: INR284 | TP: INR325 (+14%)**
**EPS CHANGE (%): FY26|FY27|FY28: -2|-1|-1**

- We expect consolidated net sales to grow 6% YoY, led by volume growth of 5% in 3QFY26.
- In segment revenue, we model growth of 7% in Fabric care, 6% in Dishwashing, 8% in HI, and 5% in personal care.
- We expect gross margin expansion of 80bp YoY to 50.6% on benign palm oil prices.
- EBITDA margin is expected to improve 10bp YoY to 16.6%.

**Consolidated Quarterly Performance**
**(INR m)**

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Volume growth (%)	11%	3%	8%	5%	4%	3%	5%	7%	6%	8%
<b>Net Sales</b>	<b>7,418</b>	<b>7,338</b>	<b>7,045</b>	<b>6,670</b>	<b>7,512</b>	<b>7,361</b>	<b>7,496</b>	<b>7,309</b>	<b>28,470</b>	<b>29,677</b>
YoY change (%)	8.0	0.2	4.0	1.1	1.3	0.3	6.4	9.6	3.3	4.2
<b>Gross Profit</b>	<b>3,805</b>	<b>3,683</b>	<b>3,506</b>	<b>3,281</b>	<b>3,608</b>	<b>3,537</b>	<b>3,793</b>	<b>4,049</b>	<b>14,275</b>	<b>14,987</b>
Margins (%)	51.3	50.2	49.8	49.2	48.0	48.1	50.6	55.4	50.1	50.5
<b>EBITDA</b>	<b>1,335</b>	<b>1,385</b>	<b>1,158</b>	<b>1,119</b>	<b>1,242</b>	<b>1,183</b>	<b>1,241</b>	<b>1,185</b>	<b>4,996</b>	<b>4,850</b>
EBITDA growth %	13.7	2.3	-2.4	3.3	-7.0	-14.6	7.2	5.9	4.1	-2.9
Margins (%)	18.0	18.9	16.4	16.8	16.5	16.1	16.6	16.2	17.5	16.3
Depreciation	134	139	143	146	147	152	153	154	561	606
Interest	14	14	15	17	13	14	16	19	59	62
Other Income	137	125	139	155	194	170	180	151	556	695
<b>PBT</b>	<b>1,324</b>	<b>1,357</b>	<b>1,138</b>	<b>1,112</b>	<b>1,275</b>	<b>1,187</b>	<b>1,252</b>	<b>1,163</b>	<b>4,931</b>	<b>4,877</b>
Tax	307	307	264	306	307	309	300	254	1,184	1,171
Rate (%)	23.2	22.6	23.2	27.6	24.1	26.1	24.0	21.9	24.0	24.0
<b>Adjusted PAT</b>	<b>1,017</b>	<b>1,050</b>	<b>874</b>	<b>806</b>	<b>968</b>	<b>878</b>	<b>951</b>	<b>909</b>	<b>3,747</b>	<b>3,706</b>
YoY change (%)	16.6	1.0	-3.9	3.1	-4.8	-16.4	8.9	12.8	4.0	-1.1

E: MOFSL Estimates

## LT Foods

Buy

CMP: INR390 | TP: INR550 (+41%)

EPS CHANGE (%): FY26|FY27|FY28: -2|-2|-2

- We expect consolidated sales to grow ~21% YoY, primarily driven by volume growth
- We expect the International operations of Specialty Rice to grow ~29% YoY due to the change in base resulting from the acquisition of Golden Star.
- EBITDA margin expected to remain constant YoY at 11% in 3QFY26.
- Organic segment's gross margins are expected to decline 960bps YoY in 3QFY26, impacted by outsourcing operations due to new plant commissioning in Europe.

### Quarterly Performance

Y/E March	FY25								FY26E		FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
<b>Gross Sales</b>	<b>20,705</b>	<b>21,078</b>	<b>22,748</b>	<b>22,284</b>	<b>24,639</b>	<b>27,657</b>	<b>27,564</b>	<b>28,051</b>	<b>86,815</b>	<b>1,07,912</b>		
YoY Change (%)	16.4	6.6	17.2	7.4	19.0	31.2	21.2	25.9	11.7	24.3		
<b>Total Expenditure</b>	<b>18,296</b>	<b>18,785</b>	<b>20,250</b>	<b>19,701</b>	<b>21,985</b>	<b>24,563</b>	<b>24,523</b>	<b>24,690</b>	<b>77,032</b>	<b>95,762</b>		
<b>EBITDA</b>	<b>2,409</b>	<b>2,293</b>	<b>2,498</b>	<b>2,583</b>	<b>2,654</b>	<b>3,094</b>	<b>3,041</b>	<b>3,361</b>	<b>9,783</b>	<b>12,150</b>		
Margins (%)	11.6	10.9	11.0	11.6	10.8	11.2	11.0	12.0	11.3	11.3		
Depreciation	420	448	458	531	523	599	610	630	1,857	2,362		
Interest	187	196	236	257	280	280	280	200	877	1,040		
Other Income	175	263	134	313	371	67	110	130	885	678		
<b>PBT before EO expense</b>	<b>1,977</b>	<b>1,911</b>	<b>1,938</b>	<b>2,107</b>	<b>2,221</b>	<b>2,283</b>	<b>2,261</b>	<b>2,661</b>	<b>7,934</b>	<b>9,426</b>		
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0		
<b>PBT</b>	<b>1,977</b>	<b>1,911</b>	<b>1,938</b>	<b>2,107</b>	<b>2,221</b>	<b>2,283</b>	<b>2,261</b>	<b>2,661</b>	<b>7,934</b>	<b>9,426</b>		
Tax	530	494	525	554	598	653	588	692	2,102	2,530		
Rate (%)	26.8	25.8	27.1	26.3	26.9	28.6	26.0	26.0	26.5	26.8		
Minority Interest & Profit/Loss of Asso. Cos.	-84	-66	-19	-52	-62	-8	0	0	-222	-70		
<b>Reported PAT</b>	<b>1,532</b>	<b>1,484</b>	<b>1,433</b>	<b>1,605</b>	<b>1,685</b>	<b>1,639</b>	<b>1,673</b>	<b>1,969</b>	<b>6,053</b>	<b>6,966</b>		
<b>Adj PAT</b>	<b>1,532</b>	<b>1,484</b>	<b>1,433</b>	<b>1,605</b>	<b>1,685</b>	<b>1,639</b>	<b>1,673</b>	<b>1,969</b>	<b>6,053</b>	<b>6,966</b>		
YoY Change (%)	11.4	-7.2	-5.2	7.9	10.0	10.4	16.8	22.7	1.3	15.1		
Margins (%)	7.4	7.0	6.3	7.2	6.8	5.9	6.1	7.0	7.0	6.5		

## Marico

Buy

CMP: INR750 | TP: INR875 (+15%)

EPS CHANGE (%): FY26|FY27|FY28: -|-|

- In the pre-quarter update, MRCO estimated high-single digit volume growth (est. +8%) in the India business. Consolidated revenue grew in the high 20s (est +28%).
- GM is expected to improve sequentially (est. 43.2% in 3Q, up 60bp QoQ) and EBITDA will grow in double digits (est. +12% YoY).
- Parachute volume declined marginally. Saffola Oils has muted quarter. VAHO grew in the 20s. Foods had a benign quarter, while premium personal care showed resilient growth.
- The International business is expected to deliver revenue growth (CC terms) in the early 20s.

### Quarterly Performance

Y/E March	(INR m)								FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Domestic volume growth (%)	4.0	5.0	6.0	7.0	9.0	7.0	8.0	8.0	5.5	8.0
<b>Net Sales</b>	<b>26,430</b>	<b>26,640</b>	<b>27,940</b>	<b>27,300</b>	<b>32,590</b>	<b>34,820</b>	<b>35,689</b>	<b>34,000</b>	<b>1,08,310</b>	<b>1,37,099</b>
YoY Change (%)	6.7	7.6	15.4	19.8	23.3	30.7	27.7	24.5	12.2	26.6
<b>Gross Profit</b>	<b>13,810</b>	<b>13,530</b>	<b>13,830</b>	<b>13,260</b>	<b>15,290</b>	<b>14,850</b>	<b>15,400</b>	<b>14,921</b>	<b>54,430</b>	<b>60,461</b>
Gross margin (%)	52.3	50.8	49.5	48.6	46.9	42.6	43.2	43.9	50.3	44.1
<b>EBITDA</b>	<b>6,260</b>	<b>5,220</b>	<b>5,330</b>	<b>4,580</b>	<b>6,550</b>	<b>5,600</b>	<b>5,971</b>	<b>5,291</b>	<b>21,390</b>	<b>23,412</b>
Margins (%)	23.7	19.6	19.1	16.8	20.1	16.1	16.7	15.6	19.7	17.1
YoY Change (%)	9.1	5.0	3.9	3.6	4.6	7.3	12.0	15.5	5.6	9.5
Depreciation	410	410	440	520	450	470	485	527	1,780	1,932
Interest	170	110	130	120	100	120	125	132	530	477
Other Income	370	400	420	470	560	490	500	562	1,660	2,112
<b>PBT</b>	<b>6,050</b>	<b>5,100</b>	<b>5,180</b>	<b>4,410</b>	<b>6,560</b>	<b>5,500</b>	<b>5,861</b>	<b>5,194</b>	<b>20,740</b>	<b>23,115</b>
Tax	1,310	1,190	1,120	960	1,430	1,180	1,319	1,272	4,580	5,201
Rate (%)	21.7	23.3	21.6	21.8	21.8	21.5	22.5	24.5	22.1	22.5
<b>Adjusted PAT</b>	<b>4,640</b>	<b>3,915</b>	<b>3,990</b>	<b>3,430</b>	<b>5,040</b>	<b>4,200</b>	<b>4,448</b>	<b>3,849</b>	<b>15,975</b>	<b>17,537</b>
YoY Change (%)	8.7	10.9	4.2	7.9	8.6	7.3	11.5	12.2	7.9	9.8
<b>Reported PAT</b>	<b>4,640</b>	<b>4,230</b>	<b>3,990</b>	<b>3,430</b>	<b>5,040</b>	<b>4,200</b>	<b>4,448</b>	<b>3,849</b>	<b>16,290</b>	<b>17,537</b>

E: MOFSL Estimates

## Nestlé India

Neutral

**CMP: INR1,280 | TP: INR1,300 (+2%)**
**EPS CHANGE (%): FY26|FY27|FY28: -1|-1-2**

- We model 12% YoY consol. revenue growth. Domestic business is expected to grow 12% led by volume. The growth is supported by the normalization of trade post-GST implementation.
- NEST has been strategically taking pricing action in response to rising commodity prices.

- We expect GP margin contraction of 120bp YoY, but it has expanded 90bp QoQ to 55.2% due to the moderation in RM prices sequentially. EBITDA margin to contract by 40bp YoY to 23.1%.

### Quarterly performance

Y/E December	(INR m)								FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
<b>Net Sales</b>	<b>48,140</b>	<b>51,040</b>	<b>47,797</b>	<b>55,039</b>	<b>50,962</b>	<b>56,436</b>	<b>53,544</b>	<b>61,816</b>	<b>2,02,016</b>	<b>2,22,757</b>
YoY Change (%)	3.3	1.3	3.9	4.5	5.9	10.6	12.0	12.3	3.5	10.3
<b>COGS</b>	<b>20,388</b>	<b>22,139</b>	<b>20,846</b>	<b>24,124</b>	<b>22,854</b>	<b>25,781</b>	<b>23,988</b>	<b>27,618</b>	<b>87,498</b>	<b>1,00,241</b>
<b>Gross Profit</b>	<b>27,751</b>	<b>28,901</b>	<b>26,951</b>	<b>30,914</b>	<b>28,107</b>	<b>30,656</b>	<b>29,556</b>	<b>34,198</b>	<b>1,14,518</b>	<b>1,22,516</b>
Margin (%)	57.6	56.6	56.4	56.2	55.2	54.3	55.2	55.3	56.7	55.0
Operating Exp	16,513	16,983	15,728	16,791	16,925	18,116	17,186	18,230	66,014	70,456
<b>EBITDA</b>	<b>11,239</b>	<b>11,918</b>	<b>11,223</b>	<b>14,124</b>	<b>11,183</b>	<b>12,539</b>	<b>12,371</b>	<b>15,968</b>	<b>48,503</b>	<b>52,060</b>
Margins (%)	23.3	23.3	23.5	25.7	21.9	22.2	23.1	25.8	24.0	23.4
YoY Growth (%)	5.4	-4.4	-0.6	5.2	-0.5	5.2	10.2	13.1	2.6	7.3
Depreciation	1,127	1,216	1,503	1,553	1,569	1,634	1,650	1,672	5,399	6,525
Interest	317	322	346	375	469	464	435	432	1,360	1,800
Other income	391	69	44	84	40	16	55	256	589	367
<b>PBT</b>	<b>10,186</b>	<b>10,448</b>	<b>9,419</b>	<b>12,280</b>	<b>9,185</b>	<b>10,458</b>	<b>10,341</b>	<b>14,119</b>	<b>42,333</b>	<b>44,103</b>
Tax	2,625	3,010	2,264	3,192	2,412	2,753	2,606	3,539	11,085	11,311
Rate (%)	25.8	28.8	24.0	26.0	26.3	26.3	25.2	25.1	26.2	25.6
<b>Adjusted PAT</b>	<b>7,467</b>	<b>7,792</b>	<b>6,836</b>	<b>8,730</b>	<b>6,466</b>	<b>7,432</b>	<b>7,614</b>	<b>10,453</b>	<b>30,827</b>	<b>32,192</b>
YoY Change (%)	6.4	-3.3	-12.4	-4.5	-13.4	-4.6	11.4	19.7	-2.6	4.4

E: MOFSL Estimates

## Page Industries

Buy

**CMP: INR35,767 | TP: INR44,500 (+24%)**
**EPS CHANGE (%): FY26|FY27|FY28: -|-|**

- We expect ~6% YoY revenue growth, led by volume growth of 4.5% (rest by mix change). No price hike expected in 3Q.
- The growth trends were similar to the previous quarter, as no major pickup was seen in 3Q.
- Gross margin is expected to expand 280bp YoY to 59.1%, led by stable input prices.
- EBITDA margin is expected to contract 80bp YoY to 22.2% due to the increase in ad spending as well as a high margin base (23% in 3QFY25).

### Quarterly Statement

Y/E March	(INR m)								FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
<b>Volume growth (%)</b>	<b>2.6</b>	<b>6.7</b>	<b>4.7</b>	<b>8.5</b>	<b>1.9</b>	<b>2.5</b>	<b>4.5</b>	<b>9.1</b>	<b>5.0</b>	<b>3.7</b>
<b>Net Sales</b>	<b>12,775</b>	<b>12,454</b>	<b>13,131</b>	<b>10,981</b>	<b>13,166</b>	<b>12,909</b>	<b>13,927</b>	<b>12,220</b>	<b>49,340</b>	<b>52,221</b>
YoY change (%)	3.9	10.7	6.9	10.6	3.1	3.7	6.1	11.3	8.0	5.8
<b>Gross Profit</b>	<b>6,918</b>	<b>7,031</b>	<b>7,399</b>	<b>6,689</b>	<b>7,784</b>	<b>7,736</b>	<b>8,231</b>	<b>7,476</b>	<b>28,036</b>	<b>31,228</b>
Gross margin (%)	54.1	56.5	56.3	60.9	59.1	59.9	59.1	61.2	56.8	59.8
<b>EBITDA</b>	<b>2,433</b>	<b>2,806</b>	<b>3,025</b>	<b>2,352</b>	<b>2,947</b>	<b>2,795</b>	<b>3,092</b>	<b>2,495</b>	<b>10,617</b>	<b>11,329</b>
Margins (%)	19.0	22.5	23.0	21.4	22.4	21.7	22.2	20.4	21.5	21.7
YoY change	2.0	20.1	31.7	43.1	21.1	-0.4	2.2	6.1	23.5	6.7
Depreciation	221	226	297	249	266	254	275	288	992	1,083
Interest	117	109	119	118	127	125	125	129	464	506
Other Income	129	146	140	201	148	195	175	232	616	750
<b>PBT</b>	<b>2,225</b>	<b>2,616</b>	<b>2,750</b>	<b>2,187</b>	<b>2,702</b>	<b>2,611</b>	<b>2,867</b>	<b>2,310</b>	<b>9,777</b>	<b>10,490</b>
Tax	572	672	703	547	694	663	720	556	2,494	2,633
Rate (%)	25.7	25.7	25.6	25.0	25.7	25.4	25.1	24.1	25.5	25.1
<b>PAT</b>	<b>1,652</b>	<b>1,944</b>	<b>2,047</b>	<b>1,640</b>	<b>2,008</b>	<b>1,948</b>	<b>2,147</b>	<b>1,754</b>	<b>7,282</b>	<b>7,857</b>
YoY change (%)	4.3	29.3	34.3	51.6	21.5	0.2	4.9	7.0	27.9	7.9

E: MOFSL Estimates

## P&G Hygiene

**Neutral**
**CMP: INR12,883 | TP: INR14,000 (+9%)**
**EPS CHANGE (%): FY26|FY27|FY28: -|-|**

- Sales are expected to grow ~4% YoY in 3QFY26.
- EBITDA margin is expected to contract 120bp YoY to 28.5%.
- Gross margin is expected to contract 130bp YoY to 63.5%.
- A&P spending and demand outlook are the key monitorables.

### Standalone - Quarterly Earnings

**(INR m)**

Y/E June	FY25				FY26E				FY25*	FY26E
	1Q	2Q	3Q	1Q	2Q	3QE	4QE			
<b>Net Sales</b>	<b>11,352</b>	<b>12,476</b>	<b>9,916</b>	<b>9,370</b>	<b>11,502</b>	<b>12,975</b>	<b>10,908</b>	<b>33,744</b>	<b>44,756</b>	
YoY Change (%)	-0.3	10.1	-1.1	0.6	1.3	4.0	10.0	-19.8	32.6	
<b>Gross profit</b>	<b>7,139</b>	<b>8,085</b>	<b>5,969</b>	<b>5,959</b>	<b>7,050</b>	<b>8,239</b>	<b>7,083</b>	<b>21,193</b>	<b>28,330</b>	
Margin (%)	62.9	64.8	60.2	63.6	61.3	63.5	64.9	62.8	63.3	
<b>EBITDA</b>	<b>2,905</b>	<b>3,709</b>	<b>2,097</b>	<b>2,662</b>	<b>2,848</b>	<b>3,698</b>	<b>2,474</b>	<b>8,711</b>	<b>11,681</b>	
Growth	2.0	19.8	-18.5	102.7	-2.0	-0.3	18.0	-11.4	34.1	
Margins (%)	25.6	29.7	21.1	28.4	24.8	28.5	22.7	25.8	26.1	
Depreciation	117	99	104	91	93	98	105	319	386	
Interest	19	66	58	1	36	40	58	143	135	
Other Income	85	97	191	77	99	125	188	373	489	
<b>PBT</b>	<b>2,854</b>	<b>3,641</b>	<b>2,127</b>	<b>2,647</b>	<b>2,818</b>	<b>3,685</b>	<b>2,499</b>	<b>8,622</b>	<b>11,649</b>	
<b>PBT after EO expense</b>	<b>2,854</b>	<b>3,641</b>	<b>2,127</b>	<b>2,647</b>	<b>2,818</b>	<b>3,685</b>	<b>2,499</b>	<b>8,622</b>	<b>11,649</b>	
Tax	735	955	566	726	719	929	561	2,256	2,936	
Rate (%)	25.7	26.2	26.6	27.4	25.5	25.2	22.5	26.2	25.2	
<b>Adj PAT</b>	<b>2,119</b>	<b>2,686</b>	<b>1,561</b>	<b>1,921</b>	<b>2,099</b>	<b>2,756</b>	<b>1,938</b>	<b>6,366</b>	<b>8,713</b>	
YoY Change (%)	0.6	17.3	-15.8	111.4	-1.0	2.6	24.1	-11.1	36.9	
Margins (%)	18.7	21.5	15.7	20.5	18.2	21.2	17.8	18.9	19.5	

E: MOFSL Estimates; \*FY25 has 9M as the company changed the Jun year-end to Mar

## Pidilite Industries

**Neutral**
**CMP: INR1,478 | TP: INR1,500 (+1%)**
**EPS CHANGE (%): FY26|FY27|FY28: -|-|**

- We expect that the company will maintain the double-digit growth trajectory. We model 12% revenue growth led by the volume growth of 12%.
- We expect gross margin to expand 70bp YoY to 55% on benign RM (VAM and crude oil) prices. EBITDA margin expected to up marginally by 10bp YoY to 23.8%.

### Consolidated - Quarterly Earnings Model

**(INR m)**

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
<b>Volume growth (%)</b>	<b>9.6</b>	<b>8.0</b>	<b>9.7</b>	<b>9.8</b>	<b>9.9</b>	<b>10.3</b>	<b>12.0</b>	<b>12.0</b>	<b>9.3</b>	<b>11.1</b>
<b>Net Sales</b>	<b>33,954</b>	<b>32,349</b>	<b>33,689</b>	<b>31,411</b>	<b>37,531</b>	<b>35,544</b>	<b>37,783</b>	<b>36,114</b>	<b>1,31,403</b>	<b>1,46,964</b>
YoY change (%)	3.7	5.2	7.6	8.2	10.5	9.9	12.2	15.0	6.1	11.8
<b>Gross Profit</b>	<b>18,268</b>	<b>17,583</b>	<b>18,301</b>	<b>17,288</b>	<b>20,314</b>	<b>19,563</b>	<b>20,781</b>	<b>19,909</b>	<b>71,440</b>	<b>80,566</b>
Margin (%)	53.8	54.4	54.3	55.0	54.1	55.0	55.0	55.1	54.4	54.8
Total Expenditure	25,826	24,661	25,705	25,086	28,121	27,037	28,799	28,791	<b>41,315</b>	<b>46,373</b>
<b>EBITDA</b>	<b>8,127</b>	<b>7,688</b>	<b>7,984</b>	<b>6,326</b>	<b>9,410</b>	<b>8,507</b>	<b>8,984</b>	<b>7,323</b>	<b>30,125</b>	<b>34,193</b>
YoY change (%)	15.0	13.1	7.5	9.6	15.8	10.7	12.5	15.8	11.3	13.5
Margins (%)	23.9	23.8	23.7	20.1	25.1	23.9	23.8	20.3	22.9	23.3
Depreciation	844	879	895	967	967	1,000	1,000	1,038	3,585	4,004
Interest	118	117	125	144	138	133	135	126	504	532
Other Income	539	571	558	804	857	502	725	977	2,472	3,061
<b>PBT</b>	<b>7,704</b>	<b>7,263</b>	<b>7,522</b>	<b>6,019</b>	<b>9,162</b>	<b>7,877</b>	<b>8,574</b>	<b>7,136</b>	<b>28,509</b>	<b>32,718</b>
Tax	1,984	1,848	1,947	1,487	2,383	2,027	2,143	1,707	7,265	8,261
Rate (%)	25.7	25.4	25.9	24.7	26.0	25.7	25.0	23.9	25.7	25.3
<b>Reported PAT</b>	<b>5,669</b>	<b>5,346</b>	<b>5,524</b>	<b>4,223</b>	<b>6,724</b>	<b>5,799</b>	<b>6,375</b>	<b>5,368</b>	<b>20,762</b>	<b>24,236</b>
<b>Adj PAT</b>	<b>5,669</b>	<b>5,346</b>	<b>5,524</b>	<b>4,473</b>	<b>6,724</b>	<b>5,799</b>	<b>6,375</b>	<b>5,368</b>	<b>21,012</b>	<b>24,236</b>
YoY change (%)	21.1	18.7	8.2	20.2	18.6	8.5	15.4	20.0	16.7	15.3
Margins (%)	16.7	16.5	16.4	14.2	17.9	16.3	16.9	14.9	16.0	16.5

E: MOFSL Estimates

## Radico Khaitan

**Buy**
**CMP: INR3,095 | TP: INR3,550 (+15%)**
**EPS CHANGE (%): FY26|FY27|FY28: +2|+1|+1**

- We expect 18% revenue growth. In P&A, we model 18% volume growth and 20% revenue growth. In popular, we expect 40% volume growth and 43% growth in revenue.
- GM to expand 100bp YoY to 44% on benign RM prices. EBITDA margin expected to improve 210bp YoY to 16.3% led by GM and premiumization.

- Radico has mid-to-high single-digit revenue contribution from Maharashtra, so the impact of an increase in excise duty will be less compared to other branded players.
- The success of new launches will be a key monitorable for the company's performance.

### Radico Khaitan(Standalone)

Y/E March	(INR m)									
	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
<b>IMFL volume growth %</b>	<b>-4.1</b>	<b>-2.4</b>	<b>15.5</b>	<b>27.5</b>	<b>37.5</b>	<b>37.7</b>	<b>17.3</b>	<b>14.0</b>	<b>9.2</b>	<b>25.3</b>
<b>P&amp;A volume growth (%)</b>	<b>14.2</b>	<b>12.7</b>	<b>18.0</b>	<b>16.4</b>	<b>40.7</b>	<b>21.6</b>	<b>18.0</b>	<b>20.7</b>	<b>15.5</b>	<b>24.3</b>
<b>Regular volume growth (%)</b>	<b>-14.0</b>	<b>-11.9</b>	<b>13.5</b>	<b>78.1</b>	<b>51.8</b>	<b>79.4</b>	<b>40.0</b>	<b>11.7</b>	<b>13.3</b>	<b>40.2</b>
<b>Total revenues</b>	<b>11,365</b>	<b>11,163</b>	<b>12,942</b>	<b>13,041</b>	<b>15,060</b>	<b>14,939</b>	<b>15,297</b>	<b>15,207</b>	<b>48,512</b>	<b>60,503</b>
YoY change (%)	19.1	20.7	11.5	20.9	32.5	33.8	18.2	16.6	17.8	24.7
<b>Gross Profit</b>	<b>4,720</b>	<b>4,870</b>	<b>5,568</b>	<b>5,669</b>	<b>6,477</b>	<b>6,520</b>	<b>6,731</b>	<b>6,682</b>	<b>20,773</b>	<b>26,410</b>
Margin (%)	41.5	43.6	43.0	43.5	43.0	43.6	44.0	43.9	42.8	43.7
<b>EBITDA</b>	<b>1,490</b>	<b>1,632</b>	<b>1,840</b>	<b>1,776</b>	<b>2,322</b>	<b>2,376</b>	<b>2,493</b>	<b>2,416</b>	<b>6,737</b>	<b>9,608</b>
Margins (%)	13.1	14.6	14.2	13.6	15.4	15.9	16.3	15.9	13.9	15.9
EBITDA growth (%)	24.7	34.6	28.8	45.0	55.8	45.6	35.6	36.1	33.1	42.6
Depreciation	329	357	356	360	363	374	380	379	1,401	1,495
Interest	185	167	195	215	159	163	145	135	738	602
Other income	37	11	11	14	47	24	25	30	49	125
<b>PBT</b>	<b>1,014</b>	<b>1,118</b>	<b>1,299</b>	<b>1,215</b>	<b>1,846</b>	<b>1,863</b>	<b>1,993</b>	<b>1,933</b>	<b>4,646</b>	<b>7,636</b>
Tax	251	297	339	308	443	474	500	500	1,194	1,917
Rate (%)	24.7	26.5	26.1	25.3	24.0	25.4	25.1	25.8	25.7	25.1
<b>Reported PAT</b>	<b>763</b>	<b>822</b>	<b>960</b>	<b>907</b>	<b>1,473</b>	<b>1,390</b>	<b>1,493</b>	<b>1,433</b>	<b>3,452</b>	<b>5,789</b>
<b>Adj.PAT</b>	<b>763</b>	<b>822</b>	<b>960</b>	<b>907</b>	<b>1,403</b>	<b>1,390</b>	<b>1,493</b>	<b>1,433</b>	<b>3,452</b>	<b>5,719</b>
YoY change (%)	20.7	32.8	30.0	59.7	83.9	69.1	55.6	58.0	35.0	65.7

E: MOFSL Estimate

## Tata Consumer Products

**Buy**
**CMP: INR1,170 | TP: INR1,475 (+26%)**
**EPS CHANGE (%): FY26|FY27|FY28: -1|1|1**

- We expect revenue to grow ~12% YoY, led by growth across all segments.
- EBITDA margin is likely to expand to ~14.1% in 3QFY26 vs. 12.7% in 3QFY25.
- We expect tea volumes to grow in the low single digits, with a marginal increase in tea prices.
- We expect high-double-digit growth in the Salt business in 3QFY26.

### Consolidated - Quarterly Earnings Model

Y/E March	(INR Million)									
	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
<b>Gross Sales</b>	<b>43,521</b>	<b>42,145</b>	<b>44,436</b>	<b>46,082</b>	<b>47,789</b>	<b>49,659</b>	<b>49,766</b>	<b>52,288</b>	<b>1,76,183</b>	<b>1,99,503</b>
YoY Change (%)	16.3	12.9	16.8	17.3	9.8	17.8	12.0	13.5	15.9	13.2
<b>Total Expenditure</b>	<b>36,847</b>	<b>35,882</b>	<b>38,788</b>	<b>39,873</b>	<b>41,720</b>	<b>42,941</b>	<b>42,746</b>	<b>44,372</b>	<b>1,51,390</b>	<b>1,71,779</b>
<b>EBITDA</b>	<b>6,674</b>	<b>6,263</b>	<b>5,647</b>	<b>6,210</b>	<b>6,069</b>	<b>6,718</b>	<b>7,021</b>	<b>7,916</b>	<b>24,794</b>	<b>27,724</b>
Margins (%)	15.3	14.9	12.7	13.5	12.7	13.5	14.1	15.1	14.1	13.9
Depreciation	1,480	1,493	1,503	1,531	1,489	1,533	1,540	1,550	6,007	6,112
Interest	936	987	579	400	338	332	345	350	2,902	1,365
Other Income	392	460	516	565	412	380	450	635	1,933	1,877
<b>PBT before EO expense</b>	<b>4,650</b>	<b>4,242</b>	<b>4,081</b>	<b>4,844</b>	<b>4,654</b>	<b>5,233</b>	<b>5,586</b>	<b>6,651</b>	<b>17,817</b>	<b>22,124</b>
Extra-Ord expense	-171	-272	-62	453	0	0	0	0	-51	0
<b>PBT</b>	<b>4,479</b>	<b>3,971</b>	<b>4,019</b>	<b>5,297</b>	<b>4,654</b>	<b>5,233</b>	<b>5,586</b>	<b>6,651</b>	<b>17,766</b>	<b>22,124</b>
Tax	1,337	377	1,022	1,226	1,190	1,262	1,406	1,656	3,962	5,514
Rate (%)	29.9	9.5	25.4	23.2	25.6	24.1	25.2	24.9	22.3	24.9
Minority Interest	-11	28	30	39	-24	21	33	43	86	73
Profit/Loss of Asso. Cos.	-249	79	-178	-584	-147	95	-150	-530	-932	-732
<b>Reported PAT</b>	<b>2,903</b>	<b>3,644</b>	<b>2,789</b>	<b>3,449</b>	<b>3,342</b>	<b>4,045</b>	<b>3,996</b>	<b>4,422</b>	<b>12,785</b>	<b>15,805</b>
<b>Adj PAT</b>	<b>3,031</b>	<b>3,848</b>	<b>2,835</b>	<b>3,109</b>	<b>3,342</b>	<b>4,045</b>	<b>3,996</b>	<b>4,422</b>	<b>12,823</b>	<b>15,805</b>
YoY Change (%)	-5.4	10.2	-18.4	-17.9	10.2	5.1	41.0	42.3	-8.1	23.3
Margins (%)	7.0	9.1	6.4	6.7	7.0	8.1	8.0	8.5	7.3	7.9

## United Breweries

Neutral

CMP: INR1,596 | TP: INR1,700 (+7%)

EPS CHANGE (%): FY26|FY27|FY28: -8|-5|-2

- Demand environment for beer players moderated in 3Q due to the off-season (extended monsoon and earlier winters). We model 1% revenue growth and 1% volume growth YoY.
- UBBL continues to gain market share in the premium segment; this should aid realization.
- We expect GM will be flat YoY at 43%. EBITDA margins expected to decline 110bp YoY to 6% due to operating deleverage.
- The outlook on state mix and realization growth remains a key monitorable.

### Standalone Quarterly Performance

Y/E March	(INRm)									
	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
<b>Volume growth (%)</b>	5	5	8	5	11	-3	1	8	6	7
<b>Net Sales</b>	<b>24,730</b>	<b>21,147</b>	<b>19,984</b>	<b>23,214</b>	<b>28,624</b>	<b>20,511</b>	<b>20,183</b>	<b>25,171</b>	<b>89,074</b>	<b>94,489</b>
YoY Change (%)	8.8	12.0	9.6	8.9	15.7	-3.0	1.0	8.4	9.7	6.1
<b>Gross Profit</b>	<b>10,642</b>	<b>9,272</b>	<b>8,619</b>	<b>9,772</b>	<b>12,176</b>	<b>8,779</b>	<b>8,679</b>	<b>10,808</b>	<b>38,305</b>	<b>40,441</b>
Margin (%)	43.0	43.8	43.1	42.1	42.5	42.8	43.0	42.9	43.0	42.8
<b>EBITDA</b>	<b>2,847</b>	<b>2,268</b>	<b>1,411</b>	<b>1,862</b>	<b>3,105</b>	<b>1,301</b>	<b>1,211</b>	<b>2,196</b>	<b>8,390</b>	<b>7,814</b>
YoY Change (%)	27.8	22.9	-3.0	31.2	9.1	-42.6	-14.2	17.9	20.5	-6.9
Margins (%)	11.5	10.7	7.1	8.0	10.8	6.3	6.0	8.7	9.4	8.3
Depreciation	577	571	613	567	628	640	645	660	2,327	2,573
Interest	16	22	32	59	112	147	110	82	129	450
Other Income	73	105	101	79	110	150	145	131	357	536
<b>PBT before EO expense</b>	<b>2,327</b>	<b>1,781</b>	<b>867</b>	<b>1,316</b>	<b>2,475</b>	<b>665</b>	<b>601</b>	<b>1,585</b>	<b>6,291</b>	<b>5,326</b>
Tax	595	458	227	342	638	196	141	357	1,622	1,332
Rate (%)	25.5	25.7	26.2	26.0	25.8	29.4	23.5	22.5	26.9	25.0
<b>Reported PAT</b>	<b>1,733</b>	<b>1,322</b>	<b>383</b>	<b>974</b>	<b>1,837</b>	<b>469</b>	<b>460</b>	<b>1,228</b>	<b>4,412</b>	<b>3,995</b>
<b>Adj PAT</b>	<b>1,733</b>	<b>1,322</b>	<b>640</b>	<b>974</b>	<b>1,837</b>	<b>469</b>	<b>460</b>	<b>1,228</b>	<b>4,669</b>	<b>3,995</b>
YoY Change (%)	27.3	22.9	-24.5	20.5	6.0	-64.5	-28.2	26.1	13.6	-14.4
Margins (%)	7.0	6.3	3.2	4.2	6.4	2.3	2.3	4.9	5.2	4.2

E: MOFSL Estimates

## United Spirits

Neutral

CMP: INR1,381 | TP: INR1,550 (+12%)

EPS CHANGE (%): FY26|FY27|FY28: -1|-1-1

- We model 2.5% volume growth and 7% revenue growth in the P&A segment. The growth was impacted due to the excise duty rise in Maharashtra and Andhra Pradesh's policy change regarding anniversarization.
- We model 2% volume growth and 4% revenue growth in the popular segment.
- GM expected to expand 110bp YoY to 45.8% given stable input prices. EBITDA margin expected to inch up 70bp YoY, to 17.8%.
- The company guided double-digit revenue growth in the P&A segment, which is a key monitorable.

### Quarterly Performance

Y/E March (Standalone)	(INR m)									
	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
<b>Volume growth %</b>	3.5	-4.4	10.2	6.9	9.4	7.7	2.4	3.6	4.1	5.5
<b>Total revenues</b>	<b>23,520</b>	<b>28,430</b>	<b>34,320</b>	<b>29,460</b>	<b>25,490</b>	<b>31,700</b>	<b>36,677</b>	<b>32,891</b>	<b>1,15,730</b>	<b>1,26,758</b>
YoY change (%)	8.3	-0.8	14.8	10.5	8.4	11.5	6.9	11.6	8.2	9.5
<b>Gross Profit</b>	<b>10,460</b>	<b>12,850</b>	<b>15,350</b>	<b>13,100</b>	<b>11,210</b>	<b>14,930</b>	<b>16,798</b>	<b>14,990</b>	<b>51,760</b>	<b>57,928</b>
Margin (%)	44.5	45.2	44.7	44.5	44.0	47.1	45.8	45.6	44.7	45.7
Total Exp	18,940	23,360	28,440	24,410	21,340	24,980	30,148	27,093	95,150	1,03,561
<b>EBITDA</b>	<b>4,580</b>	<b>5,070</b>	<b>5,880</b>	<b>5,050</b>	<b>4,150</b>	<b>6,720</b>	<b>6,528</b>	<b>5,798</b>	<b>20,580</b>	<b>23,197</b>
Margins (%)	19.5	17.8	17.1	17.1	16.3	21.2	17.8	17.6	17.8	18.3
EBITDA growth (%)	18.9	7.8	19.7	39.5	-9.4	32.5	11.0	14.8	20.5	12.7
Depreciation	650	690	720	680	680	650	670	662	2,740	2,662
Interest	220	250	200	220	490	210	240	250	890	1,190
Other income	320	340	720	750	610	760	650	730	2,130	2,750
<b>PBT</b>	<b>4,030</b>	<b>4,470</b>	<b>5,680</b>	<b>4,900</b>	<b>3,590</b>	<b>6,620</b>	<b>6,268</b>	<b>5,616</b>	<b>19,080</b>	<b>22,095</b>
Tax	1,040	1,120	1,480	1,340	900	1,600	1,661	1,400	4,980	5,561
Rate (%)	25.8	25.1	26.1	27.3	25.1	24.2	26.5	24.9	26.1	25.2
<b>Adj. PAT</b>	<b>2,990</b>	<b>3,350</b>	<b>4,203</b>	<b>3,750</b>	<b>2,963</b>	<b>4,945</b>	<b>4,607</b>	<b>4,216</b>	<b>14,293</b>	<b>16,534</b>
YoY change (%)	24.8	5.3	20.7	60.3	-0.9	47.6	9.6	12.4	25.4	15.7

E: MOFSL Estimate

## Varun Beverages

Buy

CMP: INR494 | TP: INR576 (+17%)

EPS CHANGE (%): CY25 | CY26 | CY27: -1 | -1 | -1

- We expect Net sales to grow 7% YoY in 4QCY25.
- We expect EBITDA margin to expand by ~20bps YoY to 16% in 4QCY25.
- Gross Margins are expected to decline by ~210bps in 4QCY25 due to rising RM costs.
- International volumes are expected to increase by high single digits in 4QCY25.

### Consolidated - Quarterly Earnings Model

(INRm)

Y/E December	CY24				CY25				CY24	CY25
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Net Sales</b>	<b>43,173</b>	<b>71,969</b>	<b>48,047</b>	<b>36,888</b>	<b>55,669</b>	<b>70,174</b>	<b>48,967</b>	<b>39,391</b>	<b>2,00,077</b>	<b>2,14,201</b>
YoY Change (%)	10.9	28.3	24.1	38.3	28.9	-2.5	1.9	6.8	24.7	7.1
<b>Total Expenditure</b>	<b>33,286</b>	<b>52,056</b>	<b>36,536</b>	<b>31,088</b>	<b>43,030</b>	<b>50,186</b>	<b>37,493</b>	<b>33,104</b>	<b>1,52,966</b>	<b>1,63,812</b>
<b>EBITDA</b>	<b>9,888</b>	<b>19,912</b>	<b>11,511</b>	<b>5,800</b>	<b>12,640</b>	<b>19,988</b>	<b>11,474</b>	<b>6,287</b>	<b>47,111</b>	<b>50,388</b>
Margins (%)	22.9	27.7	24.0	15.7	22.7	28.5	23.4	16.0	23.5	23.5
Depreciation	1,875	2,425	2,566	2,608	2,725	3,062	3,076	3,164	9,474	12,027
Interest	937	1,292	1,185	1,090	411	365	452	400	4,504	1,629
Other Income	84	440	243	446	281	772	1,464	700	1,213	3,216
<b>PBT before EO expense</b>	<b>7,159</b>	<b>16,636</b>	<b>8,002</b>	<b>2,548</b>	<b>9,784</b>	<b>17,332</b>	<b>9,410</b>	<b>3,423</b>	<b>34,346</b>	<b>39,949</b>
<b>PBT</b>	<b>7,159</b>	<b>16,636</b>	<b>8,002</b>	<b>2,548</b>	<b>9,784</b>	<b>17,332</b>	<b>9,410</b>	<b>3,423</b>	<b>34,346</b>	<b>39,949</b>
Tax	1,678	4,012	1,713	585	2,465	4,066	1,957	722	7,988	9,209
Rate (%)	23.4	24.1	21.4	23.0	25.2	23.5	20.8	21.1	23.3	23.1
Minority Interest & P/L of Asso. Cos.	109	98	93	112	54	97	57	115	411	323
<b>Reported PAT</b>	<b>5,373</b>	<b>12,526</b>	<b>6,196</b>	<b>1,851</b>	<b>7,265</b>	<b>13,170</b>	<b>7,396</b>	<b>2,586</b>	<b>25,946</b>	<b>30,417</b>
<b>Adj PAT</b>	<b>5,373</b>	<b>12,526</b>	<b>6,196</b>	<b>1,851</b>	<b>7,265</b>	<b>13,170</b>	<b>7,396</b>	<b>2,586</b>	<b>25,946</b>	<b>30,417</b>
YoY Change (%)	25.2	26.0	23.6	40.5	35.2	5.1	19.4	39.7	26.2	17.2
Margins (%)	12.4	17.4	12.9	5.0	13.1	18.8	15.1	6.6	13.0	14.2

## Zydus Wellness

Buy

CMP: INR472 | TP: INR575 (+22%)

EPS CHANGE (%): FY26 | FY27 | FY28: -1 | -1 | -

- We expect 7% organic business revenue growth led by volumes. The acquisition of ComfortClick in Sep'25 drove the consolidated revenue growth.
- The GP margin expansion is due to CC as it is a higher GP margin business (82%).
- The Max protein is expected to sustain strong double-digit growth momentum.
- Organic business EBITDA margin expected to contract 200bp YoY to 1.2% due to negative operating leverage.

### Quarterly Performance (Consolidated)

(INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
<b>Total revenues</b>	<b>8,410</b>	<b>4,929</b>	<b>4,619</b>	<b>9,131</b>	<b>8,609</b>	<b>6,505</b>	<b>9,522</b>	<b>14,466</b>	<b>27,089</b>	<b>39,103</b>
YoY change (%)	19.8	12.0	14.6	16.7	2.4	32.0	106.2	58.4	16.4	44.3
<b>Gross Profit</b>	<b>4,677</b>	<b>2,354</b>	<b>2,263</b>	<b>5,014</b>	<b>4,731</b>	<b>3,442</b>	<b>5,713</b>	<b>9,773</b>	<b>14,308</b>	<b>23,660</b>
Margin (%)	55.6	47.8	49.0	54.9	55.0	52.9	60.0	67.6	52.8	60.5
<b>EBITDA</b>	<b>1,553</b>	<b>196</b>	<b>148</b>	<b>1,900</b>	<b>1,556</b>	<b>230</b>	<b>623</b>	<b>2,982</b>	<b>3,798</b>	<b>5,391</b>
Margins (%)	18.5	4.0	3.2	20.8	18.1	3.5	6.5	20.6	14.0	13.8
EBITDA growth (%)	51.8	16.7	16.5	17.1	0.2	17.3	320.7	57.0	23.2	41.9
Depreciation	51	49	52	132	108	118	115	95	284	435
Amortisation						133	430	370		933
Interest	36	9	33	42	25	157	369	368	120	919
Other income	50	40	38	8	30	14	6	5	136	55
<b>PBT</b>	<b>1,516</b>	<b>178</b>	<b>101</b>	<b>1,734</b>	<b>1,453</b>	<b>-164</b>	<b>-285</b>	<b>2,154</b>	<b>3,530</b>	<b>3,158</b>
Tax	39	28	37	15	174	22	25	142	119	363
Rate (%)	2.6	15.7	36.6	0.9	12.0	-13.4	-8.8	6.6	3.4	11.5
<b>Adj. PAT</b>	<b>1,477</b>	<b>150</b>	<b>64</b>	<b>1,719</b>	<b>1,279</b>	<b>-53</b>	<b>120</b>	<b>2,382</b>	<b>3,413</b>	<b>3,728</b>
YoY change (%)	18.5	154.2	2,033.3	14.4	-13.4	-135.1	86.9	38.6	21.3	9.2
Extraordinary inc/(Exp)	0	-59	0	0	0	475	430	370	-57	1,275
<b>Reported PAT</b>	<b>1,477</b>	<b>209</b>	<b>64</b>	<b>1,719</b>	<b>1,279</b>	<b>-528</b>	<b>-310</b>	<b>2,012</b>	<b>3,470</b>	<b>2,453</b>

E: MOFSL Estimate

**Company**

Barbeque Nation
Devyan Intl.
Jubilant Foodworks
Restaurant Brands Asia
Sapphire Foods
Westlife Foodworld

**QSR: No underlying improvement in the demand trajectory**

- The QSR demand environment remained soft in 3QFY26, impacted by weak discretionary spending and rising competition from cloud kitchens. Ongoing store additions by organized QSR players further intensified competition, putting pressure on SSSG across the sector.
- The QSR print is expected to look better than 2Q, as Navratri was shifted to September vs. last year in October. Underlying demand has not seen much improvement. ADS and SSSG should be better than 2QFY26. Gross margins for most players are expected to see an improvement post-GST benefits. With better ADS, we expect the operating margin will be better than 2QFY26 but will be lower YoY for several brands. We expect Jubilant and RBA to deliver YoY expansion in EBITDA margin, and we expect them to deliver double-digit EBITDA growth as well. Intensified focus on in-store activations and new launches will be important to drive footfalls and order growth ahead. We expect sales and EBITDA growth of 13%/10% for 3QFY26.

**Outliers: JUBI and RBA**
**Underperformers: Devyan and Sapphire**
**Exhibit 26: QSR quarterly trends**

Particulars	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E
<b>Revenue Growth (%)</b>									
United Foodbrands	1%	6%	-6%	1%	-1%	-2%	-3%	0%	5%
Devyan (Consol)	7%	39%	44%	49%	54%	16%	11%	13%	16%
-KFC	14%	11%	7%	7%	9%	3%	10%	5%	9%
-Pizza Hut	-2%	-4%	-1%	0%	6%	8%	3%	1%	-1%
Jubilant (Standalone)	3%	15%	10%	9%	19%	10%	18%	16%	15%
Sapphire	12%	13%	10%	8%	14%	13%	8%	7%	9%
-KFC	16%	16%	11%	9%	12%	12%	11%	7%	11%
-Pizza Hut	-4%	-3%	3%	3%	10%	5%	-6%	-6%	-10%
Restaurant Brands (Consol)	15%	16%	6%	1%	6%	6%	8%	11%	15%
Restaurant Brands (Standalone)	20%	20%	16%	9%	11%	12%	13%	16%	18%
Westlife	-2%	1%	0%	1%	9%	7%	7%	4%	7%
<b>Total</b>	<b>6%</b>	<b>9%</b>	<b>5%</b>	<b>5%</b>	<b>11%</b>	<b>8%</b>	<b>11%</b>	<b>10%</b>	<b>12%</b>
<b>SSSG</b>									
United Foodbrands	-5%	1%	-7%	-3%	-2%	-2%	-3%	-2%	0%
Devyan - KFC	-5%	-7%	-7%	-7%	-4%	-6%	-1%	-4%	-1%
Devyan - PH	-13%	-14%	-9%	-6%	-1%	1%	-4%	-4%	-3%
Jubilant (LFL)	-3%	0%	3%	3%	13%	12%	12%	9%	7%
Sapphire - KFC	-2%	-3%	-6%	-8%	-3%	-1%	0%	-3%	0%
Sapphire - PH	-19%	-15%	-7%	-3%	5%	1%	-8%	-8%	-10%
Restaurant Brands	3%	2%	3%	-3%	-1%	5%	3%	3%	4%
Westlife	-9%	-5%	-7%	-7%	3%	1%	1%	-3%	0%
<b>Gross profit margin (%)</b>									
United Foodbrands	67.9%	68.9%	68.1%	68.1%	68.2%	68.5%	67.7%	66.2%	67.1%
Devyan (Consol)	70.6%	69.2%	69.2%	69.3%	68.7%	68.5%	68.2%	67.8%	68.5%
-KFC	69.4%	69.9%	69.5%	69.0%	68.6%	68.3%	67.1%	68.1%	68.5%
-Pizza Hut	75.8%	77.3%	76.8%	76.7%	76.2%	75.6%	74.7%	74.7%	75.3%
Jubilant (Standalone)	76.7%	76.6%	76.1%	76.1%	75.1%	74.5%	74.1%	74.4%	75.3%
Sapphire	68.9%	68.9%	68.6%	68.8%	68.6%	68.2%	67.4%	67.8%	68.6%
-KFC	68.4%	68.3%	68.2%	68.3%	68.2%	68.0%	67.1%	67.2%	68.7%
-Pizza Hut	75.7%	75.5%	76.1%	76.5%	75.6%	74.8%	74.6%	74.4%	75.5%
Restaurant Brands (Consol)	64.4%	64.2%	64.5%	64.9%	65.6%	65.3%	65.4%	66.1%	66.4%
Restaurant Brands (Standalone)	67.1%	67.7%	67.6%	67.5%	67.8%	67.8%	67.7%	68.3%	68.6%
Westlife	70.3%	70.2%	70.6%	69.7%	70.1%	70.0%	71.6%	72.4%	72.0%
<b>RoM % (pre-Ind AS)</b>									
United Foodbrands									

Particulars	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E
Devyani (Consol)	15.4%	13.6%	15.3%	13.6%	14.3%	13.8%	13.1%	11.7%	14.2%
-KFC	19.0%	19.0%	19.5%	16.6%	17.2%	16.2%	15.5%	14.1%	16.5%
-Pizza Hut	6.1%	4.4%	4.9%	3.1%	2.1%	0.7%	-1.1%	-0.2%	-0.5%
Jubilant (Standalone)									
Sapphire	16.0%	13.8%	15.2%	13.8%	15.5%	12.0%	12.1%	11.3%	14.2%
-KFC	20.1%	18.7%	18.8%	16.5%	18.2%	15.7%	15.7%	13.8%	17.5%
-Pizza Hut	4.6%	-2.7%	4.6%	4.1%	4.7%	-4.6%	-2.5%	-1.8%	-1.5%
Restaurant Brands (Consol)	9.3%	6.0%	7.1%	7.2%	8.2%	7.7%	7.7%	7.5%	8.6%
Restaurant Brands (Standalone)	12.2%	7.8%	8.9%	10.6%	12.0%	10.5%	9.7%	10.4%	11.6%
Westlife									
<b>EBITDA Pre-Ind AS margins (%)</b>									
Barbeque Nation	11.0%	6.4%	6.9%	5.4%	10.3%	6.5%	4.6%	1.1%	8.0%
Devyani (Consol)	9.3%	9.2%	11.6%	9.4%	10.1%	8.9%	8.1%	6.8%	9.7%
Jubilant	12.9%	10.9%	11.6%	11.7%	12.4%	11.8%	12.0%	12.1%	12.9%
Sapphire	10.8%	8.6%	9.8%	8.5%	10.7%	7.1%	7.1%	7.4%	9.4%
Restaurant Brands (Consol)	2.8%	-0.5%	1.3%	0.6%	2.1%	2.3%	1.7%	1.6%	3.1%
Restaurant Brands (India)	6.8%	2.4%	3.6%	5.0%	6.2%	5.4%	4.1%	5.0%	6.3%
Westlife	11.4%	8.7%	8.1%	7.7%	9.1%	7.6%	7.7%	6.2%	9.3%
<b>ADS ('000')</b>									
United Foodbrands	175	153	155	153	162	141	140	141	151
Devyani									
-KFC	104	93	104	96	96	83	98	89	90
-Pizza Hut	37	32	36	35	35	31	33	33	33
Jubilant (Standalone)	78	75	79	78	84	82	85	81	86
Sapphire									
-KFC	125	114	122	111	115	108	116	103	111
-Pizza Hut	45	41	48	47	48	42	44	42	42
Restaurant Brands (India)	119	105	119	118	114	108	120	119	114
Westlife	176	157	170	168	173	153	165	158	168
<b>Store (India)</b>									
United Foodbrands	210	217	219	222	226	230	236	241	253
Devyani India	1,387	1,429	1,473	1,557	1,658	1,664	1,767	1,802	1,650
-KFC	590	596	617	645	689	696	704	734	764
-Pizza Hut	565	567	570	593	644	630	618	621	625
Jubilant	2,007	2,096	2,148	2,199	2,266	2,304	2,362	2,450	2,520
Sapphire	725	748	762	784	835	836	846	867	891
-KFC	406	429	442	461	496	502	510	529	553
-Pizza Hut	319	319	320	323	339	334	336	338	338
Restaurant Brands	441	455	456	464	510	513	519	533	573
Westlife	380	397	403	408	421	438	444	450	465
<b>PBT (INR M)</b>									
United Foodbrands	75	(9)	(55)	(100)	47	(165)	(170)	(232)	(31)
Devyani (Consol)	97	44	381	(9)	56	(208)	19	(297)	101
Jubilant (Standalone)	819	508	683	698	788	677	883	856	1,170
Sapphire	140	8	118	53	168	45	(18)	(166)	65
Restaurant Brands (Consol)	(376)	(742)	(488)	(655)	(547)	(604)	(454)	(633)	(472)
Restaurant Brands (Standalone)	(64)	(310)	(269)	(166)	(186)	(254)	(116)	(202)	(100)
Westlife	231	20	45	7	65	13	16	(88)	114
<b>PBT Margins</b>									
United Foodbrands	2.3%	-0.3%	-1.8%	-3.3%	1.4%	-5.6%	-5.7%	-7.6%	-0.9%
Devyani (Consol)	1.1%	0.4%	3.1%	-0.1%	0.4%	-1.7%	0.1%	-2.2%	0.7%
Jubilant (Standalone)	6.0%	3.8%	4.7%	4.8%	4.9%	4.3%	5.2%	5.0%	6.3%
Sapphire	2.1%	0.1%	1.6%	0.8%	2.2%	0.6%	-0.2%	-2.2%	0.8%
Restaurant Brands (Consol)	-6.2%	-12.4%	-7.5%	-10.3%	-8.6%	-9.6%	-6.5%	-9.0%	-6.4%
Restaurant Brands (Standalone)	-1.4%	-7.1%	-5.5%	-3.4%	-3.8%	-5.2%	-2.1%	-3.6%	-1.7%
Westlife	3.9%	0.4%	0.7%	0.1%	1.0%	0.2%	0.2%	-1.4%	1.6%

## United Foodbrands

**Neutral**
**CMP: INR215 | TP: INR235 (+9%)**
**EBITDA CHANGE (%): FY26|FY27|FY28: -|-|**

- Demand environment remains subdued as there is no meaningful improvement. We model 5% revenue YoY.
- We expect same-store sales to be flat YoY; expect 11 store additions in 3Q, taking the total count to 253.

- ADS expected to decline 5% YoY to INR150-152k.
- Gross margins expected to decline 110bp YoY to 67.1%.

EBITDA margin expected to decline 70bp YoY to 18%.

### Cons. Quarterly Performance

**(INR m)**

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
<b>SSSG (%)</b>	<b>-7.4</b>	<b>-2.5</b>	<b>-2.0</b>	<b>-2.0</b>	<b>-3.4</b>	<b>-2.2</b>	<b>0.0</b>	<b>1.6</b>	<b>-3.8</b>	<b>-1.0</b>
<b>No. of stores</b>	<b>219</b>	<b>222</b>	<b>226</b>	<b>230</b>	<b>236</b>	<b>241</b>	<b>253</b>	<b>260</b>	<b>230</b>	<b>260</b>
<b>Net Sales</b>	<b>3,057</b>	<b>3,057</b>	<b>3,289</b>	<b>2,928</b>	<b>2,970</b>	<b>3,048</b>	<b>3,437</b>	<b>3,172</b>	<b>12,330</b>	<b>12,627</b>
YoY change (%)	-5.6	1.3	-0.6	-1.8	-2.8	-0.3	4.5	8.4	-1.7	2.4
<b>Gross Profit</b>	<b>2,081</b>	<b>2,081</b>	<b>2,244</b>	<b>2,006</b>	<b>2,010</b>	<b>2,019</b>	<b>2,307</b>	<b>2,125</b>	<b>8,412</b>	<b>8,460</b>
Margin (%)	68.1	68.1	68.2	68.5	67.7	66.2	67.1	67.0	68.2	67.0
<b>EBITDA</b>	<b>509</b>	<b>456</b>	<b>615</b>	<b>533</b>	<b>460</b>	<b>377</b>	<b>619</b>	<b>552</b>	<b>2,113</b>	<b>2,008</b>
EBITDA growth %	8.8	2.7	-7.2	-2.6	-9.6	-17.2	0.6	3.5	-0.4	-5.0
Margin (%)	16.6	14.9	18.7	18.2	15.5	12.4	18.0	17.4	17.1	15.9
Depreciation	405	409	428	523	449	483	490	502	1,765	1,924
Interest	186	189	195	209	200	207	210	228	779	846
Other Income	27	43	55	34	19	81	50	40	158	190
<b>PBT</b>	<b>-55</b>	<b>-100</b>	<b>47</b>	<b>-165</b>	<b>-170</b>	<b>-232</b>	<b>-31</b>	<b>-139</b>	<b>-272</b>	<b>-572</b>
Tax	-11	-28	-3	42	-3	-7	-2	-3	-1	-14
Rate (%)	20.9	28.4	-6.5	-25.2	1.8	2.8	5.0	2.0	0.5	2.4
<b>Adjusted PAT</b>	<b>-43</b>	<b>-71</b>	<b>51</b>	<b>-207</b>	<b>-167</b>	<b>-225</b>	<b>-30</b>	<b>-136</b>	<b>-271</b>	<b>-558</b>
YoY change (%)	N/M	N/M								

E: MOFSL Estimates

## Devyani International

**Buy**
**CMP: INR148 | TP: INR180 (+22%)**
**EBITDA CHANGE (%): FY26|FY27|FY28: +1|-|**

- Demand remained soft in 3QFY26. PH same-store sales are likely to decline by 2.5%. We model 4 store additions and 1% revenue decline for PH.
- We model 9% revenue and 2% SSSG in Costa Coffee. International business revenue is expected to grow by 14%.

- KFC revenue expected to grow 9% YoY, led by store additions. We model 30 store additions (+11% YoY), while same-store sales may decline by 1% on a negative base.
- EBITDA margin pressure will persist due to lower demand and negative operating leverage.

### Quarterly Performance

**(INR m)**

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
<b>KFC - No. of stores</b>	<b>617</b>	<b>645</b>	<b>689</b>	<b>696</b>	<b>704</b>	<b>734</b>	<b>764</b>	<b>791</b>	<b>696</b>	<b>791</b>
<b>PH - No. of stores</b>	<b>570</b>	<b>593</b>	<b>644</b>	<b>630</b>	<b>618</b>	<b>621</b>	<b>625</b>	<b>628</b>	<b>630</b>	<b>628</b>
<b>KFC - SSSG (%)</b>	<b>-7.0</b>	<b>-7.0</b>	<b>-4.4</b>	<b>-6.1</b>	<b>-0.7</b>	<b>-4.2</b>	<b>-1.0</b>	<b>1.9</b>	<b>-6.4</b>	<b>-1.0</b>
<b>PH - SSSG (%)</b>	<b>-8.6</b>	<b>-5.7</b>	<b>-0.8</b>	<b>1.0</b>	<b>-4.2</b>	<b>-4.1</b>	<b>-2.5</b>	<b>0.8</b>	<b>-3.8</b>	<b>-2.5</b>
<b>Net Sales</b>	<b>12,219</b>	<b>12,222</b>	<b>12,944</b>	<b>12,126</b>	<b>13,570</b>	<b>13,768</b>	<b>15,017</b>	<b>13,937</b>	<b>49,511</b>	<b>56,291</b>
YoY change (%)	44.3	49.1	53.5	15.8	11.1	12.6	16.0	14.9	39.2	13.7
<b>Gross Profit</b>	<b>8,450</b>	<b>8,474</b>	<b>8,892</b>	<b>8,306</b>	<b>9,252</b>	<b>9,329</b>	<b>10,287</b>	<b>9,589</b>	<b>34,122</b>	<b>38,457</b>
Margin (%)	69.2	69.3	68.7	68.5	68.2	67.8	68.5	68.8	68.9	68.3
<b>EBITDA</b>	<b>2,234</b>	<b>1,987</b>	<b>2,192</b>	<b>2,008</b>	<b>2,049</b>	<b>1,943</b>	<b>2,351</b>	<b>1,979</b>	<b>8,422</b>	<b>8,321</b>
EBITDA growth %	28.8	25.2	49.9	15.5	-8.3	-2.2	7.2	-1.5	29.1	-1.2
Margin (%)	18.3	16.3	16.9	16.6	15.1	14.1	15.7	14.2	17.0	14.8
Depreciation	1,322	1,391	1,557	1,653	1,497	1,603	1,620	1,717	6,332	6,437
Interest	630	653	670	695	668	688	690	645	2,648	2,691
Other Income	99	48	91	132	135	51	60	185	370	431
<b>PBT</b>	<b>381</b>	<b>-9</b>	<b>56</b>	<b>-208</b>	<b>19</b>	<b>-297</b>	<b>101</b>	<b>-198</b>	<b>-188</b>	<b>-375</b>
Tax	81	10	162	-56	5	-52	20	-48	197	-75
Rate (%)	21.2	-113.1	286.8	26.8	27.0	17.5	20.0	24.4	-104.7	20.0
<b>Adjusted PAT</b>	<b>281</b>	<b>-27</b>	<b>-9</b>	<b>-20</b>	<b>17</b>	<b>-186</b>	<b>135</b>	<b>-32</b>	<b>226</b>	<b>-76</b>
Margin (%)	2.3	-0.2	-0.1	-0.2	0.1	-1.4	0.9	-0.2	0.5	-0.1
YoY change (%)	-17.2	NM	NM	-161.2	-94.0	NM	NM	NM	-75.7	-133.6

E: MOFSL Estimates

## Jubilant FoodWorks

**Neutral**
**CMP: INR553 | TP: INR635 (+15%)**
**EBITDA CHANGE (%): FY26|FY27|FY28: -|-|**

- JUBI revenue growth expected to moderate to 14% YoY (19% in 2HFY25 and 17% in 1HFY26) due to high base. We model ~6.5% LFL growth.
- We expect that store additions will continue, and we model 70 Dominos India store additions, taking the total count to 2,391 stores.
- Gross margins expected to improve marginally by 20bp, led by the stable RM environment and some benefit of GST rate cut on RM. EBITDA (pre-Ind AS) expected to improve 50bp YoY to 12.9% led by GM and operating leverage.
- Focusing on value-driven innovations, emphasizing new product developments.

**Quarterly Standalone Perf.**
**(INR m)**

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
<b>No of stores (Dominos)</b>	<b>2,029</b>	<b>2,079</b>	<b>2,139</b>	<b>2,179</b>	<b>2,240</b>	<b>2,321</b>	<b>2,391</b>	<b>2,429</b>	<b>2,179</b>	<b>2,429</b>
<b>LFL growth (%)</b>	<b>3.0</b>	<b>2.8</b>	<b>12.5</b>	<b>12.1</b>	<b>11.6</b>	<b>9.1</b>	<b>6.5</b>	<b>6.0</b>	<b>7.6</b>	<b>8.3</b>
<b>Net Sales</b>	<b>14,396</b>	<b>14,669</b>	<b>16,111</b>	<b>15,872</b>	<b>17,016</b>	<b>16,987</b>	<b>18,447</b>	<b>17,938</b>	<b>61,047</b>	<b>70,387</b>
YoY change (%)	9.9	9.1	18.9	19.2	18.2	15.8	14.5	13.0	14.3	15.3
<b>Gross Profit</b>	<b>10,955</b>	<b>11,157</b>	<b>12,092</b>	<b>11,828</b>	<b>12,610</b>	<b>12,634</b>	<b>13,890</b>	<b>13,445</b>	<b>46,032</b>	<b>52,579</b>
Gross margin (%)	76.1	76.1	75.1	74.5	74.1	74.4	75.3	75.0	75.4	74.7
<b>EBITDA</b>	<b>2,782</b>	<b>2,842</b>	<b>3,128</b>	<b>3,056</b>	<b>3,233</b>	<b>3,294</b>	<b>3,680</b>	<b>3,523</b>	<b>11,807</b>	<b>13,730</b>
EBITDA growth %	0.6	1.3	10.6	20.2	16.2	15.9	17.7	15.3	7.9	16.3
Margins (%)	19.3	19.4	19.4	19.3	19.0	19.4	20.0	19.6	19.3	19.5
Depreciation	1,552	1,654	1,741	1,777	1,817	1,840	1,880	1,920	6,724	7,457
Interest	619	640	682	667	657	672	720	730	2,609	2,778
Other Income	73	150	83	66	125	73	90	121	371	408
<b>PBT</b>	<b>683</b>	<b>698</b>	<b>788</b>	<b>677</b>	<b>883</b>	<b>856</b>	<b>1,170</b>	<b>995</b>	<b>2,846</b>	<b>3,903</b>
YoY Change (%)	-32.6	-27.5	-3.8	33.2	29.2	22.6	48.5	46.9	-13.9	37.2
Tax	168	177	192	182	216	216	295	256	719	982
Rate (%)	24.6	25.4	24.3	26.9	24.5	25.3	25.2	25.7	25.3	25.2
<b>Adjusted PAT</b>	<b>515</b>	<b>521</b>	<b>596</b>	<b>495</b>	<b>667</b>	<b>639</b>	<b>876</b>	<b>739</b>	<b>2,126</b>	<b>2,415</b>
YoY change (%)	-31.5	-27.8	-2.2	43.3	29.5	22.8	46.9	49.4	-12.4	13.6

E: MOFSL Estimates

## Sapphire Foods

**Buy**
**CMP: INR253 | TP: INR325 (+28%)**

- Demand trends were weak despite the festive season.
- PH same-store sales expected to decline 10% YoY. We expect no store additions during the quarter. Revenue is expected to decline 10% YoY.
- Sri Lanka is expected to sustain growth momentum, and we model an 18% revenue growth in 3Q.

**EBITDA CHANGE (%): FY26|FY27|FY28: -3|-3|-3**

- KFC revenue is expected to grow 11% YoY, led by store additions (11% YoY). We model 24 24-store addition and flat YoY same-store-sales growth.
- The GM is expected to remain stable largely, while the EBITDA margin is expected to contract due to negative operating leverage.

**Quarterly Performance**
**(INR m)**

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
<b>KFC - No. of stores</b>	<b>442</b>	<b>461</b>	<b>496</b>	<b>502</b>	<b>510</b>	<b>529</b>	<b>553</b>	<b>572</b>	<b>502</b>	<b>572</b>
<b>PH - No. of stores</b>	<b>320</b>	<b>323</b>	<b>339</b>	<b>334</b>	<b>336</b>	<b>338</b>	<b>338</b>	<b>344</b>	<b>334</b>	<b>344</b>
KFC - SSSG (%)	-6.0	-8.0	-3.0	-1.0	0.0	-3.0	0.0	1.0	-4.0	-0.5
PH - SSSG (%)	-7.0	-3.0	5.0	1.0	-8.0	-8.0	-10.0	-6.0	-1.0	-8.0
<b>Net Sales</b>	<b>7,183</b>	<b>6,957</b>	<b>7,565</b>	<b>7,113</b>	<b>7,768</b>	<b>7,424</b>	<b>8,228</b>	<b>8,036</b>	<b>28,819</b>	<b>31,456</b>
YoY change (%)	9.8	8.3	13.7	12.6	8.1	6.7	8.8	13.0	11.1	9.2
<b>Gross Profit</b>	<b>4,927</b>	<b>4,786</b>	<b>5,189</b>	<b>4,848</b>	<b>5,235</b>	<b>5,031</b>	<b>5,642</b>	<b>5,396</b>	<b>19,750</b>	<b>21,342</b>
Margin (%)	68.6	68.8	68.6	68.2	67.4	67.8	68.6	67.1	68.5	67.8
<b>EBITDA</b>	<b>1,242</b>	<b>1,120</b>	<b>1,343</b>	<b>1,062</b>	<b>1,129</b>	<b>1,021</b>	<b>1,348</b>	<b>1,132</b>	<b>4,768</b>	<b>4,629</b>
EBITDA growth %	2.3	-2.7	10.3	3.2	-9.1	-8.9	0.3	6.6	3.4	-2.9
Margin (%)	17.3	16.1	17.8	14.9	14.5	13.8	16.4	14.1	16.5	14.7
Depreciation	904	881	1,005	850	920	972	1,105	1,032	3,639	4,029
Interest	273	271	275	298	295	307	303	299	1,116	1,204
Other Income	53	85	105	130	68	92	125	265	372	550
<b>PBT</b>	<b>118</b>	<b>53</b>	<b>168</b>	<b>45</b>	<b>-18</b>	<b>-166</b>	<b>65</b>	<b>66</b>	<b>384</b>	<b>-54</b>
Tax	36	1	41	-14	-1	-38	16	9	64	-14
Rate (%)	30.8	2.2	24.3	-31.7	5.7	22.9	25.2	13.9	16.7	25.2
<b>Adjusted PAT</b>	<b>82</b>	<b>52</b>	<b>127</b>	<b>59</b>	<b>-17</b>	<b>-128</b>	<b>48</b>	<b>57</b>	<b>320</b>	<b>-40</b>
YoY change (%)	-67.1	-65.9	29.5	189.3	-121.2	-346.8	-62.0	-4.0	-38.4	-112.6

## Restaurant Brands Asia

**Buy**
**CMP: INR65 | TP: INR120 (+85%)**

- The India business is expected to grow 18% YoY. We build 4% SSSG as there is not much improvement in the underlying demand.
- Demand in Indonesia remained moderate, and we model 4% revenue growth.
- We model 40 store additions in India, taking the store count to 573 (12% YoY). We expect 80bp improvement in GP margin to 68.6% on stable RM prices and EBITDA Margin to be contracted 40bp YoY to 15.5% on account of some operating deleverage.
- ADS is expected to remain flat YoY at ~INR114k.

### Quarterly Standalone Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
<b>SSSG (%)</b>	<b>3.1%</b>	<b>-3.0%</b>	<b>-0.5%</b>	<b>5.1%</b>	<b>2.6%</b>	<b>2.8%</b>	<b>4.0%</b>	<b>4.6%</b>	<b>1.1%</b>	<b>3.5%</b>
<b>No. of stores</b>	<b>456</b>	<b>464</b>	<b>510</b>	<b>513</b>	<b>519</b>	<b>533</b>	<b>573</b>	<b>578</b>	<b>513</b>	<b>578</b>
<b>Net Sales</b>	<b>4,905</b>	<b>4,921</b>	<b>4,954</b>	<b>4,898</b>	<b>5,523</b>	<b>5,687</b>	<b>5,862</b>	<b>5,841</b>	<b>19,678</b>	<b>22,912</b>
YoY change (%)	16.2	8.5	11.2	11.6	12.6	15.6	18.3	19.3	11.8	16.4
<b>Gross Profit</b>	<b>3,318</b>	<b>3,322</b>	<b>3,361</b>	<b>3,322</b>	<b>3,739</b>	<b>3,884</b>	<b>4,021</b>	<b>3,936</b>	<b>13,322</b>	<b>15,580</b>
Margin (%)	67.6	67.5	67.8	67.8	67.7	68.3	68.6	67.4	67.7	68.0
<b>EBITDA</b>	<b>618</b>	<b>700</b>	<b>789</b>	<b>777</b>	<b>745</b>	<b>813</b>	<b>910</b>	<b>879</b>	<b>2,890</b>	<b>3,347</b>
EBITDA growth %	27.5	10.3	11.5	41.1	20.6	16.2	15.3	13.1	21.6	15.8
Margin (%)	12.6	14.2	15.9	15.9	13.5	14.3	15.5	15.0	14.7	14.6
<b>EBITDA (Pre - Ind As)</b>	<b>175</b>	<b>244</b>	<b>309</b>	<b>266</b>	<b>225</b>	<b>284</b>	<b>371</b>	<b>314</b>	<b>994</b>	<b>1,194</b>
EBITDA growth %	72.7	0.4	2.3	150.9	28.6	16.4	20.0	17.9	32.0	20.1
Margin (%)	3.6	5.0	6.2	5.4	4.1	5.0	6.3	5.4	5.1	5.2
Depreciation	633	611	632	670	663	690	710	749	2,546	2,811
Interest	319	326	364	403	410	404	400	427	1,411	1,640
Other Income	64	71	21	42	212	78	100	102	192	492
<b>PBT</b>	<b>-269</b>	<b>-166</b>	<b>-186</b>	<b>-254</b>	<b>-116</b>	<b>-202</b>	<b>-100</b>	<b>-194</b>	<b>-876</b>	<b>-612</b>
Tax	0	0	0	0	0	0	0	0	0	0
Rate (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Adjusted PAT</b>	<b>-269</b>	<b>-166</b>	<b>-186</b>	<b>-254</b>	<b>-116</b>	<b>-202</b>	<b>-100</b>	<b>-194</b>	<b>-876</b>	<b>-612</b>
YoY change (%)	NM	NM								

E: MOFSL Estimates

## Westlife Development

**Neutral**
**CMP: INR540 | TP: INR600 (+11%)**

- We expect 7% revenue growth, led by 10% store growth (15 store additions). Same-store sales expected to be flat YoY. There is no material change in the demand environment; it remains subdued.
- ADS is expected to decline 3% YoY to INR156k.

- Gross margin is expected to improve 190bp to 72% benefiting from stable RM and the GST rate cut on RM.
- We model EBITDA Pre-Ind AS margins at 9.3% for 3QFY26, up marginally 20bp YoY. It is impacted due to negative operating leverage.

### Consolidated quarterly performance

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
<b>SSSG %</b>	<b>(6.7)</b>	<b>(6.5)</b>	2.8	0.7	0.5	<b>(2.8)</b>	0.0	2.3	-2.9	0.0
No. of McDonald's restaurants	403	408	421	438	444	450	465	478	438	478
<b>Net Sales</b>	<b>6,163</b>	<b>6,180</b>	<b>6,537</b>	<b>6,031</b>	<b>6,576</b>	<b>6,419</b>	<b>7,015</b>	<b>6,702</b>	<b>24,912</b>	<b>26,713</b>
YoY Change (%)	0.3	0.5	8.9	7.3	6.7	3.9	7.3	11.1	4.2	7.2
<b>Gross profit</b>	<b>4,351</b>	<b>4,306</b>	<b>4,581</b>	<b>4,221</b>	<b>4,709</b>	<b>4,647</b>	<b>5,051</b>	<b>4,826</b>	<b>17,459</b>	<b>19,233</b>
Margin (%)	70.6	69.7	70.1	70.0	71.6	72.4	72.0	72.0	70.1	72.0
<b>EBITDA</b>	<b>799</b>	<b>786</b>	<b>914</b>	<b>794</b>	<b>855</b>	<b>759</b>	<b>1,004</b>	<b>793</b>	<b>3,293</b>	<b>3,410</b>
YoY Change (%)	-24.1	-21.1	-4.8	3.0	6.9	-3.5	9.9	-0.2	-12.9	3.5
Margins (%)	13.0	12.7	14.0	13.2	13.0	11.8	14.3	11.8	13.2	12.8
Depreciation	506	528	549	550	553	574	580	584	2,133	2,385
Interest	298	316	330	328	354	363	360	374	1,272	1,451
Other Income	51	65	29	98	68	91	50	169	242	378
<b>PBT after EO expense</b>	<b>45</b>	<b>7</b>	<b>65</b>	<b>13</b>	<b>16</b>	<b>367</b>	<b>114</b>	<b>5</b>	<b>131</b>	<b>-48</b>
Tax	13	3	-5	-2	4	92	29	-137	9	-12
Rate (%)	27.9	48.1	-8.0	-13.9	27.4	-105.2	25.0	-2,930.4	6.9	25.0
<b>Adj PAT</b>	<b>33</b>	<b>4</b>	<b>71</b>	<b>15</b>	<b>11</b>	<b>-180</b>	<b>86</b>	<b>142</b>	<b>122</b>	<b>-36</b>
YoY Change (%)	-88.7	-98.3	-59.1	96.5	-64.8	NA	21.5	832.4	-82.4	-129.3
Margins (%)	0.5	0.1	1.1	0.3	0.2	-2.8	1.2	2.1	0.5	-0.1

E: MOFSL Estimates

**Company**

Kalyan

PN Gadgil

Senco Gold

Titan

**Jewelry: Demand momentum sustained despite elevated gold prices**

- In 3QFY26, gold prices surged, rising ~60% YoY and ~20% QoQ. Despite this steep inflation, consumer demand remained resilient, supported by a strong festive season and sustained momentum during the wedding period. Demand was further aided by higher old-gold exchange-led purchases and attractive promotional offers. Gold coin sales also witnessed a sharp uptick amid rising gold prices. Now, consumers increasingly view gold inflation as structural and are therefore advancing their purchase decisions rather than postponing them. SSSG is expected to grow in high double digits, largely driven by value growth. However, margins may witness some pressure due to an adverse product mix amid elevated gold prices. We build sales/EBITDA/PAT growth of 31%/30%/30% for our coverage jewelry companies in 3QFY26.

**Outliers:** Kalyan Jewellers and Titan

**Kalyan Jewellers**
**Buy**
**CMP: INR 496 | TP: INR650 (+31%)**
**EPS CHANGE (%): FY26 | FY27 | FY28: -|-|**

- We expect 38% revenue growth in the India business. We model 25% SSSG, led by the gold price increase. We expect 47 store additions for Kalyan (incl. Candere and Middle East), bringing the total count to 483 stores in 3QFY26.
- In India, GP margin is expected to dip 50bp YoY to 12.2%, due to promotional schemes given to offset the gold price surge and franchise-led store expansion. EBITDA margin is expected to contract 20bp YoY to 6.5%.
- In the Middle East, we expect 9% YoY revenue growth and flat EBITDA margin YoY.

**Consolidated Quarterly Performance**
**(INR m)**

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
<b>Stores</b>	<b>277</b>	<b>303</b>	<b>349</b>	<b>388</b>	<b>406</b>	<b>436</b>	<b>483</b>	<b>556</b>	<b>388</b>	<b>555</b>
<b>Net Sales</b>	<b>55,355</b>	<b>60,655</b>	<b>72,869</b>	<b>61,815</b>	<b>72,685</b>	<b>78,560</b>	<b>97,874</b>	<b>81,643</b>	<b>2,50,451</b>	<b>3,30,762</b>
Change (%)	26.5	37.4	39.5	36.6	31.3	29.5	34.3	32.1	35.0	32.1
Raw Material/PM	47,419	52,313	63,323	53,314	62,603	68,395	85,814	70,785	2,16,370	2,87,597
<b>Gross Profit</b>	<b>7,935</b>	<b>8,342</b>	<b>9,546</b>	<b>8,501</b>	<b>10,081</b>	<b>10,166</b>	<b>12,060</b>	<b>10,859</b>	<b>34,081</b>	<b>43,165</b>
Gross Margin (%)	14.3	13.8	13.1	13.8	13.9	12.9	12.3	13.3	13.6	13.1
Operating Expenses	4,175	4,379	4,609	4,507	5,001	5,196	5,664	5,916	17,671	21,777
% of Sales	7.5	7.2	6.3	7.3	6.9	6.6	5.8	7.2	7.1	6.6
<b>EBITDA</b>	<b>3,760</b>	<b>3,962</b>	<b>4,936</b>	<b>3,994</b>	<b>5,080</b>	<b>4,970</b>	<b>6,396</b>	<b>4,942</b>	<b>16,410</b>	<b>21,388</b>
Margin (%)	6.8	6.5	6.8	6.5	7.0	6.3	6.5	6.1	6.6	6.5
Change (%)	16.4	26.3	33.5	34.8	35.1	25.4	29.6	23.7	25.0	30.3
Interest	852	903	876	962	1,036	949	876	800	3,595	3,661
Depreciation	755	850	890	933	977	1,032	1,042	977	3,427	4,028
Other Income	222	260	313	408	463	514	454	595	1,446	2,026
<b>PBT</b>	<b>2,375</b>	<b>2,469</b>	<b>3,484</b>	<b>2,507</b>	<b>3,530</b>	<b>3,503</b>	<b>4,931</b>	<b>3,761</b>	<b>10,834</b>	<b>15,725</b>
Tax	599	649	886	630	889	898	1,257	968	2,764	4,011
Effective Tax Rate (%)	25.2	26.3	25.4	25.1	25.2	25.6	25.5	25.7	25.5	25.5
<b>Adjusted PAT</b>	<b>1,776</b>	<b>1,821</b>	<b>2,598</b>	<b>1,877</b>	<b>2,641</b>	<b>2,605</b>	<b>3,674</b>	<b>2,794</b>	<b>8,070</b>	<b>11,713</b>
Change (%)	23.4	34.6	43.8	36.4	48.7	43.1	41.4	48.8	35.1	45.1
<b>Reported PAT</b>	<b>1,776</b>	<b>1,303</b>	<b>2,187</b>	<b>1,877</b>	<b>2,641</b>	<b>2,605</b>	<b>3,674</b>	<b>2,794</b>	<b>7,142</b>	<b>11,713</b>

E: MOFSL Estimates

## PN Gadgil

Buy

**CMP: INR612 | TP: INR825 (+35%)**
**EPS CHANGE (%): FY26 | FY27 | FY28: - | +1 | +1**

- We expect 40% YoY growth in retail revenue, 25% in franchise, and double e-commerce sales in 3QFY26.
- GP margin to expand by 210bp YoY to 11.9%, driven by improvement in product mix.

- EBITDA margin expected to expand 50bp YoY to 5.6%.
- We expect five store additions, taking the total count to 68 stores.

### Consol. Quarterly Performance

(INR m)

Y/E March	FY25								FY26E	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
<b>Net Sales</b>	<b>16,682</b>	<b>20,013</b>	<b>24,358</b>	<b>15,882</b>	<b>17,146</b>	<b>21,776</b>	<b>32,543</b>	<b>22,363</b>	<b>76,935</b>	<b>93,827</b>
YoY change (%)	32.7	45.9	23.5	5.0	2.8	8.8	33.6	40.8	25.9	22.0
<b>Gross Profit</b>	<b>1,386</b>	<b>1,531</b>	<b>2,391</b>	<b>1,909</b>	<b>2,259</b>	<b>2,581</b>	<b>3,873</b>	<b>2,780</b>	<b>7,216</b>	<b>11,492</b>
Margins (%)	8.3	7.6	9.8	12.0	13.2	11.9	11.9	12.4	9.4	12.2
<b>EBITDA</b>	<b>643</b>	<b>721</b>	<b>1,228</b>	<b>941</b>	<b>1,100</b>	<b>1,071</b>	<b>1,810</b>	<b>1,329</b>	<b>3,538</b>	<b>5,311</b>
Margins (%)	3.9	3.6	5.0	5.9	6.4	4.9	5.6	5.9	4.6	5.7
YoY growth (%)	44.2	59.4	33.3	5.8	70.9	48.6	47.5	41.2	30.5	50.1
Depreciation	63	72	84	130	112	139	145	149	348	546
Finance Cost	123	129	63	115	189	198	205	229	430	822
Other Income	19	118	70	149	129	358	90	73	351	650
<b>PBT</b>	<b>477</b>	<b>638</b>	<b>1,150</b>	<b>846</b>	<b>927</b>	<b>1,092</b>	<b>1,550</b>	<b>1,024</b>	<b>3,111</b>	<b>4,593</b>
YoY growth (%)	57.3	110.2	48.6	15.2	94.4	71.0	34.8	21.0	48.6	47.6
<b>APAT</b>	<b>353</b>	<b>529</b>	<b>860</b>	<b>620</b>	<b>693</b>	<b>793</b>	<b>1,163</b>	<b>772</b>	<b>2,363</b>	<b>3,422</b>
Margins (%)	2.1	2.6	3.5	3.9	4.0	3.6	3.6	3.5	3.1	3.6
YoY change (%)	59.5	141.1	49.4	12.9	96.3	49.9	35.2	24.6	52.4	44.8

E: MOFSL estimates

## Senco Gold

Neutral

**CMP: INR324 | TP: INR365 (+13%)**
**EPS CHANGE (%): FY26 | FY27 | FY28: - | -1 | -1**

- We expect 17% YoY revenue growth and SSSG of 12% in 3QFY26.
- Gross margins expected to expand 270bp YoY to 14.3%.

- EBITDA margin expected to improve 140bp YoY to 6.7%.
- We model three new store additions, taking the store count to 195 in 3QFY26.

### Consolidated Quarterly Performance

(INR m)

Y/E March	FY25								FY26E	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
<b>Stores</b>	<b>165</b>	<b>166</b>	<b>171</b>	<b>175</b>	<b>186</b>	<b>192</b>	<b>195</b>	<b>196</b>	<b>174</b>	<b>196</b>
<b>Net Sales</b>	<b>14,039</b>	<b>15,005</b>	<b>20,460</b>	<b>13,777</b>	<b>18,263</b>	<b>15,361</b>	<b>23,938</b>	<b>15,841</b>	<b>63,281</b>	<b>73,403</b>
Change (%)	7.5	30.9	23.8	21.1	30.1	2.4	17.0	15.0	20.7	16.0
<b>Gross Profit</b>	<b>2,428</b>	<b>1,976</b>	<b>2,373</b>	<b>2,313</b>	<b>3,489</b>	<b>2,616</b>	<b>3,423</b>	<b>2,780</b>	<b>9,090</b>	<b>12,308</b>
Gross Margin (%)	17.3	13.2	11.6	16.8	19.1	17.0	14.3	17.5	14.4	16.8
Operating Expenses	1,341	1,159	1,297	1,042	1,653	1,551	1,819	1,399	4,839	6,423
% of Sales	9.5	7.7	6.3	7.6	9.1	10.1	7.6	8.8	7.6	8.8
<b>EBITDA</b>	<b>1,087</b>	<b>818</b>	<b>1,076</b>	<b>1,270</b>	<b>1,836</b>	<b>1,065</b>	<b>1,604</b>	<b>1,381</b>	<b>4,251</b>	<b>5,886</b>
Margin (%)	7.7	5.4	5.3	9.2	10.1	6.9	6.7	8.7	6.7	8.0
Change (%)	61.8	107.1	-40.6	44.8	68.8	30.3	49.1	8.7	13.2	38.4
Interest	322	326	339	375	430	462	475	485	1,362	1,852
Depreciation	181	178	131	191	187	190	205	216	681	798
Other Income	123	149	127	147	186	178	140	113	546	617
<b>PBT</b>	<b>708</b>	<b>462</b>	<b>732</b>	<b>851</b>	<b>1,406</b>	<b>591</b>	<b>1,064</b>	<b>792</b>	<b>2,754</b>	<b>3,852</b>
Tax	195	117	190	226	359	103	268	241	729	971
Effective Tax Rate (%)	27.6	25.3	26.0	26.6	25.6	17.4	25.2	30.4	26.5	25.2
<b>Adjusted PAT</b>	<b>513</b>	<b>345</b>	<b>542</b>	<b>624</b>	<b>1,047</b>	<b>488</b>	<b>796</b>	<b>551</b>	<b>2,024</b>	<b>2,882</b>
Change (%)	85.3	188.7	-50.4	94.0	104.1	41.4	46.8	-11.7	11.8	42.3
<b>Reported PAT</b>	<b>513</b>	<b>121</b>	<b>335</b>	<b>624</b>	<b>1,047</b>	<b>488</b>	<b>796</b>	<b>551</b>	<b>1,593</b>	<b>2,882</b>

E: MOFSL Estimates

## Titan Company

Buy

CMP: INR4,050 | TP: INR4,650 (+15%)

EPS CHANGE (%): FY26|FY27|FY28: -|-|

- We model 28% standalone revenue growth (excl. bullion) and Tanishq LTL growth of 23% in 3QFY26.
- Standalone Jewelry EBIT (ex-bullion) margin is expected to decline 50bp YoY to 10.7% impacted due to weak mix (high gold coin) on rise in gold prices.
- Caratlane business revenue is expected to grow 30% YoY, while EBIT margin is expected to up marginally by 20bp YoY to 11.9%.
- We expect healthy double-digit growth in watches, eyewear, and other businesses.

### Consolidated Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
<b>Net Sales</b>	<b>132.7</b>	<b>145.3</b>	<b>177.4</b>	<b>149.2</b>	<b>165.2</b>	<b>187.3</b>	<b>232.7</b>	<b>172.0</b>	<b>604.6</b>	<b>757.1</b>
YoY change (%)	11.5	16.0	25.2	19.4	24.6	28.8	31.2	15.3	18.3	25.2
<b>Gross Profit</b>	<b>29.3</b>	<b>33.0</b>	<b>39.1</b>	<b>34.0</b>	<b>37.1</b>	<b>40.2</b>	<b>54.7</b>	<b>46.0</b>	<b>135.4</b>	<b>177.9</b>
Margin (%)	22.1	22.7	22.0	22.8	22.5	21.4	23.5	26.7	22.4	23.5
<b>EBITDA</b>	<b>12.5</b>	<b>15.3</b>	<b>19.3</b>	<b>15.4</b>	<b>18.3</b>	<b>18.8</b>	<b>24.7</b>	<b>19.7</b>	<b>62.4</b>	<b>81.5</b>
EBITDA growth %	10.8	8.2	23.1	29.1	46.8	22.9	28.1	28.2	17.9	30.6
Margin (%)	9.4	10.5	10.9	10.3	11.1	10.0	10.6	11.5	10.3	10.8
Depreciation	1.6	1.7	1.8	1.8	1.8	1.9	1.9	1.9	6.9	7.6
Interest	2.3	2.4	2.3	2.5	2.7	2.8	2.6	2.5	9.5	10.6
Other Income	1.2	1.2	1.3	1.2	1.1	1.1	1.1	1.2	4.9	4.5
<b>PBT</b>	<b>9.7</b>	<b>12.4</b>	<b>16.5</b>	<b>12.2</b>	<b>14.8</b>	<b>15.2</b>	<b>21.3</b>	<b>16.6</b>	<b>50.8</b>	<b>67.8</b>
Tax	2.6	3.1	4.0	3.5	3.9	4.0	5.4	4.0	13.1	17.3
Rate (%)	26.5	24.8	24.5	28.5	26.3	26.4	25.5	24.0	25.9	25.5
<b>Adjusted PAT</b>	<b>7.2</b>	<b>9.3</b>	<b>12.5</b>	<b>8.7</b>	<b>10.9</b>	<b>11.2</b>	<b>15.8</b>	<b>12.6</b>	<b>37.6</b>	<b>50.5</b>
YoY change (%)	-5.4	1.7	18.3	13.0	52.6	20.2	27.1	44.7	7.6	34.3
Extraordinary	0.0	2.3	2.0	0.0	0.0	0.0	0.0	0.0	4.3	0.0
<b>Reported PAT</b>	<b>7.2</b>	<b>7.0</b>	<b>10.5</b>	<b>8.7</b>	<b>10.9</b>	<b>11.2</b>	<b>15.8</b>	<b>12.6</b>	<b>33.4</b>	<b>50.5</b>

E: MOFSL Estimates

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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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