30 March 2026
Company Update | Sector: Consumer

Marico

BSE SENSEX	S&P CNX
71,948	22,331

Stock Info

Bloomberg	MRCO IN
Equity Shares (m)	1298
M.Cap.(INRb)/(USDb)	955.4 / 10.1
52-Week Range (INR)	814 / 640
1, 6, 12 Rel. Per (%)	5/15/18
12M Avg Val (INR M)	1480
Free Float (%)	41.1

Financials Snapshot (INR b)

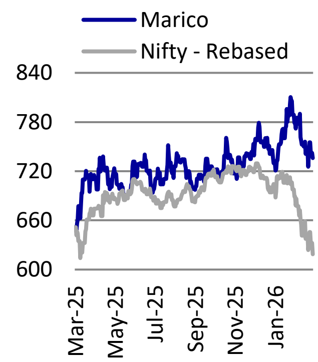
Y/E Mar	2026E	2027E	2028E
Sales	136.8	155.2	171.2
Sales Gr. (%)	26.3	13.5	10.3
EBITDA	23.5	29.1	32.7
Margins (%)	17.1	18.8	19.1
Adj. PAT	17.6	20.9	23.4
Adj. EPS (INR)	13.7	16.2	18.2
EPS Gr. (%)	10.3	18.3	12.4
BV/Sh.(INR)	32.0	34.6	38.3
Ratios			
RoE (%)	43.5	48.5	49.8
RoCE (%)	39.2	43.7	45.0
Payout (%)	91.5	83.5	79.8
Valuations			
P/E (x)	53.9	45.5	40.5
P/BV (x)	23.0	21.2	19.2
EV/EBITDA (x)	39.9	31.9	28.2
Div. Yield (%)	1.7	1.8	2.0

Shareholding Pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	58.9	58.9	59.1
DII	12.4	12.0	12.9
FII	24.2	24.5	23.4
Others	4.5	4.6	4.6

FII includes depository receipts

Stock's performance (one-year)



CMP: INR736 TP: INR900 (+22%) Buy

Limited impact of geopolitical headwinds; low risk of an earnings cut

- **The ongoing geopolitical challenges, if sustained, are expected to have huge bearings on cost inflation (more specifically on crude derivatives) across most of the FMCG companies. Besides raw material availability issues, a weak rupee is also expected to increase import costs for these companies. In this context, Marico appears relatively less affected by the overall RM volatility vs. its FMCG peers (refer to Exhibits 2 and 3). Copra accounts for ~50% of Marico's raw material basket, and it is currently witnessing a deflationary trend (with prices having corrected by 40% from their peak). Further, crude derivatives (including packaging) constitute 18-20% of total raw materials, resulting in a relatively lower impact than that faced by Marico's peers. After registering 130% inflation over the past two years, copra prices are expected to continue their deflationary trend. Consequently, Marico is among the few companies where operating margins are projected to expand in FY27. Management has guided a base case EBITDA margin expansion of 150-200bp in FY27, and we believe this guidance remains achievable in the current environment.**
- **Moreover, Marico has been one of the few FMCG companies successfully expanding its non-core businesses. The company is steadily shifting its focus toward foods and premium personal care (targeting a 20–25% CAGR), with digital brands (e.g., Beardo and Plix) scaling well and improving profitability. Management aims to increase the contribution from foods and digital-first brands to ~33% of domestic revenue (up from ~25% currently). Such initiatives will help the company navigate macro calamities.**
- **Marico has been one of the best-performing stocks among FMCG peers during the last two years, delivering a 50% return. We reiterate our BUY rating on the stock with a TP of INR900 (premised on 50x P/E on FY28).**

Resilient demand trends; minimal impact of geopolitical uncertainties

- Marico continues to witness resilient demand trends. The India business has delivered high single-digit volume growth and ~30% value growth in 9MFY26, outperforming most FMCG peers. The international business (~25% of revenue) grew ~18% in 9MFY26, driven by broad-based performance across geographies. The impact of ongoing geopolitical uncertainties remains limited, given low exposure to MENA (less than 5% of revenue).
- The demand trends are largely stable in 4Q, with no material disruption from gas supply issues due to the ongoing geopolitical uncertainties. The GST rate reduction has supported consumption, and this benefit is likely to continue into FY27, aiding demand recovery. Management remains confident in delivering double-digit growth over the medium term.

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India's core business essential with strong market leadership

- **Parachute coconut oil:** The Parachute franchise witnessed muted volume performance (-1% 3Q and -2% in 9M) due to a spike in copra prices. However, the segment delivered strong value growth (+50% in 3Q and 45% in 9M), driven by price hikes and selective grammage reduction. This led to a significant divergence between value and volume growth, which is expected to normalize as copra prices correct. With copra prices correcting meaningfully (~40% from peak), the company is likely to implement price reductions, which should support a gradual recovery in volumes and consumption trends.
- **Saffola edible oil:** The segment reported a relatively subdued performance, with flat value growth and a marginal dip in 3Q volumes, reflecting the impact of prior price rises and a softer consumption environment. The segment continues to face demand sensitivity due to pricing volatility; however, the company is focusing on premium offerings and health-oriented positioning, which are expected to support the gradual recovery. The performance is also hit by competitive intensity and consumer downtrading in certain segments.
- **Value-added hair oil (VAHO):** It has delivered the healthy revenue growth (29% YoY in 3Q) and gained ~170bp market share. Growth is led by premiumization, rural expansion under Project SETU, and improved distribution reach, with the segment likely to sustain double-digit growth over the medium term.

Evolving from a legacy FMCG to a digital and premium portfolio

- Marico is steadily transitioning from a traditional FMCG player toward a more digital-first and premium-focused consumer company. The portfolio is gradually shifting away from core categories such as coconut oil and edible oils toward higher-growth segments, including value-added foods, premium personal care, and digital-first brands. This transformation is aided by targeted acquisitions, strong operational discipline, synergy-led scale benefits, and prudent capital allocation within a scalable operating framework. Going forward, the company aims to deliver double-digit growth, driven by steady expansion in the core portfolio and faster, strong double-digit growth in its digital-first businesses.
- The company is steadily shifting its focus toward foods and premium personal care (targeting a 20–25% CAGR), with digital brands (e.g., Beardo and Plix) scaling well and improving profitability. Management aims to increase the contribution from foods and digital-first brands to ~33% of domestic revenue (up from ~25% currently).
- Marico is strengthening its portfolio through inorganic growth (refer to Exhibit 9). Recent acquisitions (4700BC, Cosmix, and Candid) are expected to contribute ~5% to FY30 revenues. Distribution expansion through Project SETU and rising traction in quick commerce are additional growth levers.

Food segment: Building a scalable high-growth engine

- Marico continues to build its food portfolio (refer to Exhibit 6) as a key long-term growth engine, with a focus on premium snacking, health & wellness, and modern breakfast categories. The segment reported moderate growth (5% in 3QFY26), impacted by ongoing portfolio rationalization and exit from low-margin SKUs, aimed at improving the quality of growth.
- Despite near-term moderation, the company aspires to deliver a 20-25% CAGR in the foods segment. The segment has surpassed the revenue of INR9b in FY25 (5x that of FY20) and is expected to scale to ~9x FY20 levels by FY27 and ~15x by FY30 (refer to Exhibit 8). The growth is supported by strong traction in core brands such as True Elements, Saffola Oats, and Saffola Soya. In addition, recent acquisitions such as 4700BC (ARR of ~INR1.4b) and Cosmix (ARR of ~INR1b) are expected to scale 3.0–3.5x by FY30, further strengthening the portfolio.
- Operational improvements, including supply chain efficiencies and GTM refinements, have led to ~1,000bp gross margin expansion over the last two years, with further gradual improvement expected. While the company has a strong presence in modern trade and e-commerce, expanding general trade penetration remains a key growth lever.

Digital & D2C portfolio: Strong growth momentum

- Marico has built a strong portfolio of digital-first and D2C brands, including Beardo, Plix, Just Herbs, and True Elements (refer to Exhibit 7). The company is focusing on high-growth categories such as male grooming, plant-based skincare, Ayurveda, and dermatology-led products. Growth is driven by strong consumer engagement, high repeat purchases, and increasing traction in e-commerce and quick commerce channels. In FY26, the premium personal care portfolio is expected to exit at an ARR of ~INR3.5b, while digital-first brands are likely to surpass an ARR of INR10b.
- Key brands have delivered robust growth over the last few years. Beardo has scaled ~5x over FY21-26 (~INR3.5b in FY26E). Plix has also witnessed strong momentum, with revenue scaling ~6x since FY24 (INR9b in FY26E). The recently acquired Candid brand (ARR of INR1b) is anticipated to scale ~3x over FY25-30. The digital-first personal care (PPC) segment is on track to deliver double-digit EBITDA margins by FY27, with a gradual improvement to mid-teen levels over the medium term.

International business driving growth; diversification reducing risk

- Marico's international business reported strong growth of ~18% in INR terms during 9MFY26, driven by broad-based performance across key markets. The segment is expected to remain a key growth driver, supported by a gradual shift towards premium personal care and digital-first portfolios in core regions such as Vietnam, Bangladesh, and the Middle East.
- Marico is also focusing on reducing concentration risk through geographical and category diversification, while scaling up higher-margin segments within the portfolio. The increasing contribution from premium products and organized trade channels is likely to support margin improvement over the medium term. Despite ongoing geopolitical uncertainties, the overall impact on Marico remains limited, given its relatively low exposure to the MENA region.

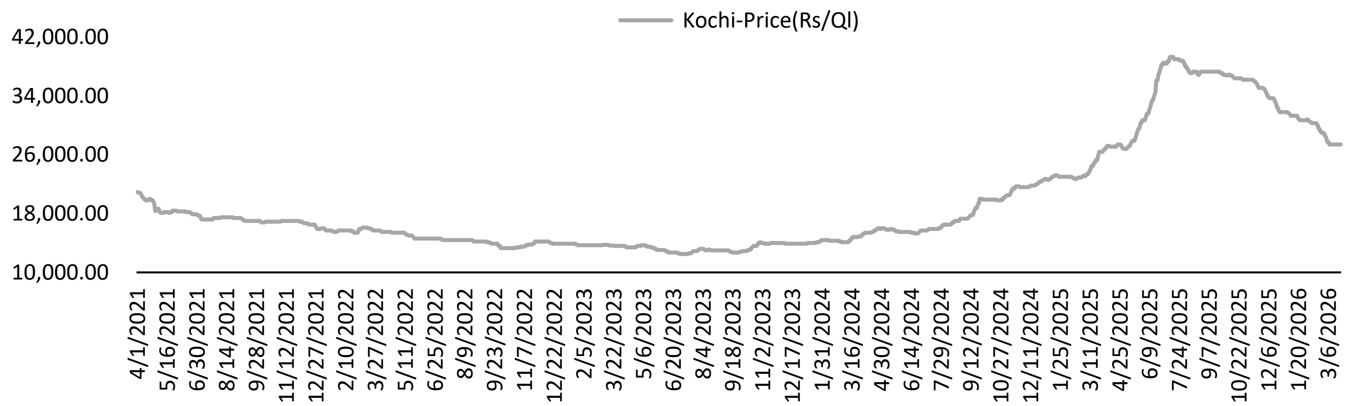
EBITDA margin outlook improving

- Marico's EBITDA margin dipped ~300bp YoY in 9MFY26 mainly due to a spike in copra prices, while the company did not fully pass on the cost increase through price hikes. Going forward, management expects margins to improve 150-200bp in FY27, supported by easing copra prices (which have declined ~40% from their peak), a higher share of premium and value-added products, and operating leverage from scaling newer businesses.
- However, while some pressure may persist due to inflation in select raw materials amid ongoing geopolitical uncertainties, Marico remains relatively less impacted by overall RM volatility compared to other FMCG peers (refer to Exhibits 2 and 3). This is primarily because ~50% of its raw material basket is copra, which is currently witnessing a deflationary trend. We model an EBITDA margin of 18.8% in FY27 and 19.1% in FY28 (vs. 17.1% in FY26E).

Valuation and view

- The company is on track to deliver ~25% consolidated revenue growth in FY26, driven by pricing, expanded direct reach, and strong momentum across core categories as well as newer growth engines, such as foods and premium personal care.
- To improve its distribution reach, Marico has also started Project SETU, which helps drive growth in GT through a transformative expansion of its direct reach.
- This project is designed to drive growth by deepening market penetration and strengthening Marico's presence across India. With these strategic initiatives in place, the company is focused on ensuring long-term profitability and further diversifying its business portfolio.
- We model a 12%/18%/16% revenue/EBITDA/APAT CAGR during FY26-28E. **We reiterate our BUY rating with a TP of INR900 (based on 50x Mar'28E EPS).**

Exhibit 1: Coconut oil prices declined 40% from their peak



Source: Coconut board, MOFSL

Exhibit 2: FMCG peers – RM mix (%)

Companies (India)	Key RM						% of Total RM		% of Total Revenue	
	Packaging	Other Crude deriv.	Palm Oil	Copra	Veg Oil	Others	Crude Driven	Others	Crude Driven	Others
Dabur	27	8	15	5	0	45	35	65	18	34
Marico	10	10	0	50	25	5	20	80	11	45
HUL	10	18	20	0	0	52	28	72	14	35
Nestle	14	0	10	0	0	76	14	86	6	38
Britannia	14	0	25	0	0	61	14	86	8	49
Colgate	20	0	0	0	0	80	20	80	6	24
Emami	18	12	0	0	0	70	30	70	9	21
Jyothy	20	35	5	0	0	40	55	45	29	24
Godrej Consumer	15	0	25	0	0	60	15	85	7	40
Zydus Wellness	10	0	0	0	0	90	10	90	4	33

Source: MOFSL est., Company

Exhibit 3: FMCG companies' sensitivity to RM inflation and required price hikes; (%)

Companies RM sensitivity	YoY RM inflation @Crude rate (1HFY25 rate 68.5)					Price hike requirement				
Crude rate (USD)	85	90	95	100	105	85	90	95	100	105
YoY inflation (%)	24	31	39	46	53	24	31	39	46	53
General inflation (%)	5.0	6.0	6.5	7.0	8.0	5.0	6.0	6.5	7.0	8.0
Dabur	10	13	16	19	22	5	7	8	10	11
Marico	1	2	4	5	7	0	1	2	3	4
HUL	9	12	14	17	19	5	6	7	8	9
Nestle	7	9	10	12	14	3	4	5	5	6
Britannia	6	8	9	11	12	4	5	5	6	7
Colgate	9	11	13	15	17	3	3	4	4	5
Emami	11	14	16	19	22	3	4	5	5	6
Jyothy	15	20	24	28	33	8	11	13	15	17
Godrej Consumer	7	8	10	11	13	3	4	5	5	6
Zydus Wellness	7	9	10	11	13	3	3	4	4	5
Average	**8**	**11**	**13**	**15**	**17**	**4**	**5**	**6**	**7**	**8**

Assuming flat YoY palm oil prices, ~10% YoY deflation in copra, and ~2% YoY inflation in vegetable oils. Source: MOFSL est., Company

Exhibit 4: Marico's domestic business revenue mix

Domestic revenue mix (%)	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Parachute Coconut (Rigid pack)	39	39	38	36	34	34	34	40	41	39
VAHO	26	25	22	22	22	23	19	17	16	15
Saffola Oil	17	19	22	25	25	20	20	19	17	16
Foods and D2C	6	7	8	10	13	19	24	23	25	28
Others	12	10	10	7	6	3	2	2	2	2
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: MOFSL, Company

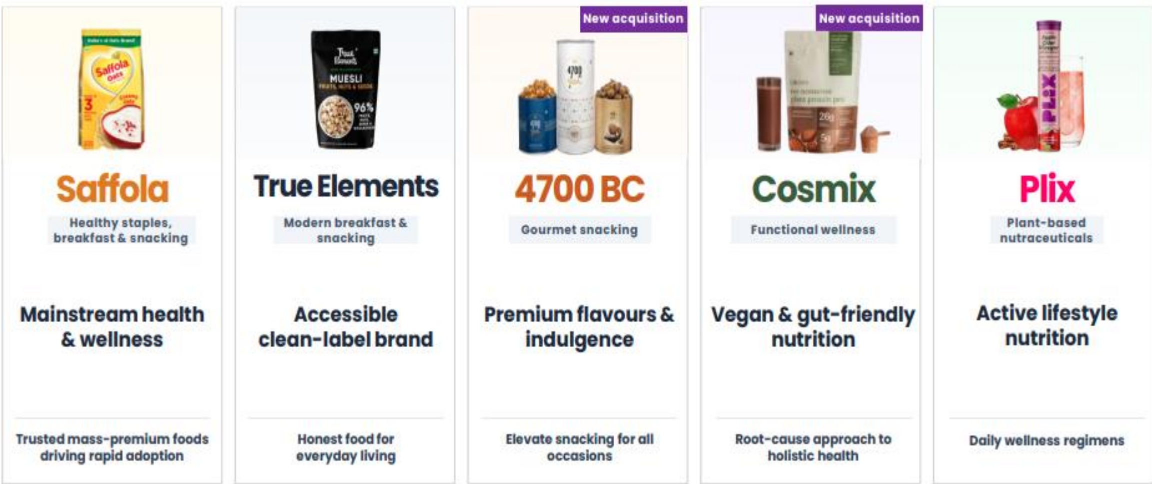
Exhibit 5: Marico's volume and value growth trajectory

Volume growth (%)	FY19	FY20	FY21	FY22	FY23	FY24	FY25	4QFY25	1QFY26	2QFY26	3QFY26
India FMCG business	8	1	9	7	2	3	6	7	9	7	8
Parachute Coconut (Rigid pack)	8	0	6	5	2	3	2	-1	-1	-3	-1
VAHO	7	-2	0	14	2	1	1	6	5	8	21
Saffola Oil	8	9	17	11	-1	8	2	-1	5	0	-1

Revenue growth (%)	FY19	FY20	FY21	FY22	FY23	FY24	FY25	4QFY25	1QFY26	2QFY26	3QFY26
India FMCG business	16	-2	9	18	0	-3	14	23	27	35	28
Parachute Coconut (Rigid pack)	24	-2	7	13	-6	-1	13	22	31	59	50
VAHO	12	-6	-2	14	4	-1	-4	1	13	16	29
Saffola Oil	9	12	25	34	-3	-19	12	26	28	19	0
Foods	32	31	47	52	34	6	26	7	20	12	5
International (INR)	16	5	12	17	11	4	8	11	12	19	24

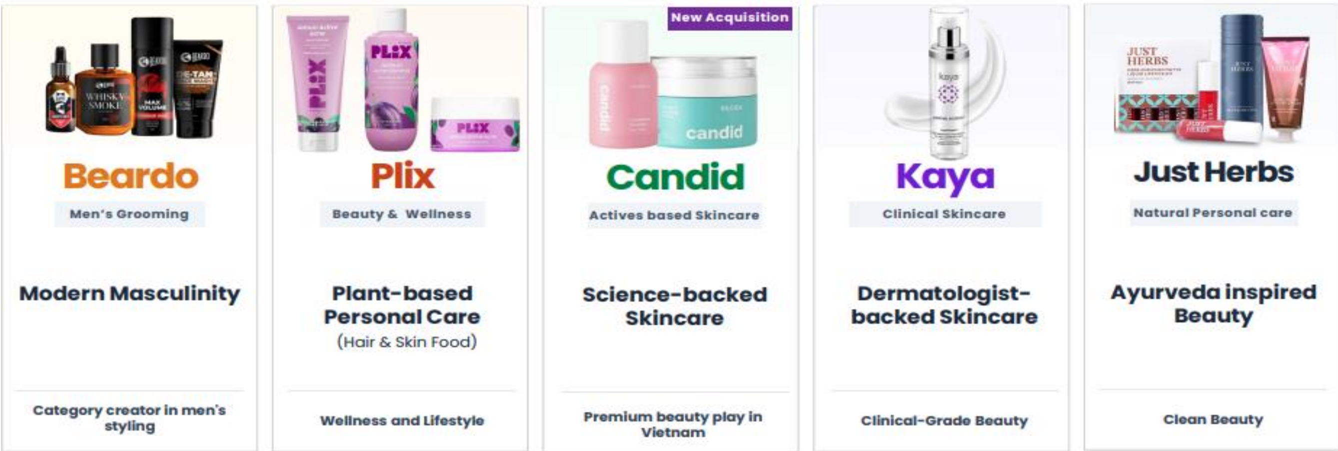
Source: MOFSL, Company

Exhibit 6: Marico – foods portfolio



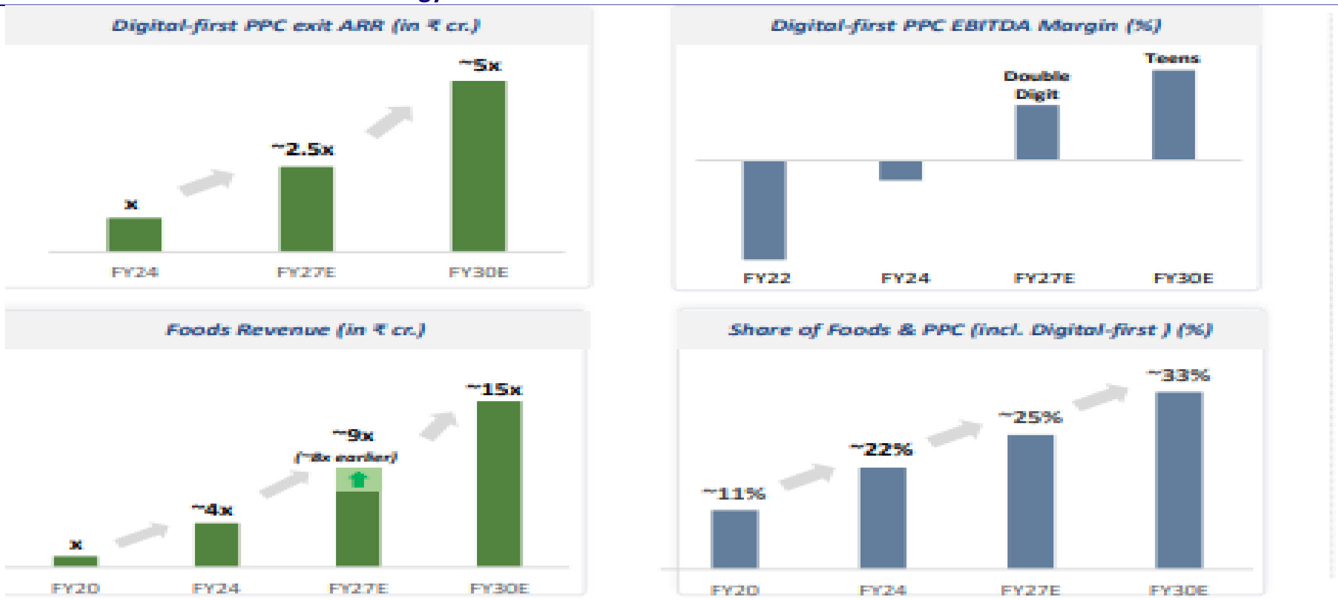
Source: MOFSL, Company PPT

Exhibit 7: Marico – personal care portfolio



Source: MOFSL, Company PPT

Exhibit 8: Marico – diversification strategy



Source: MOFSL, Company PPT

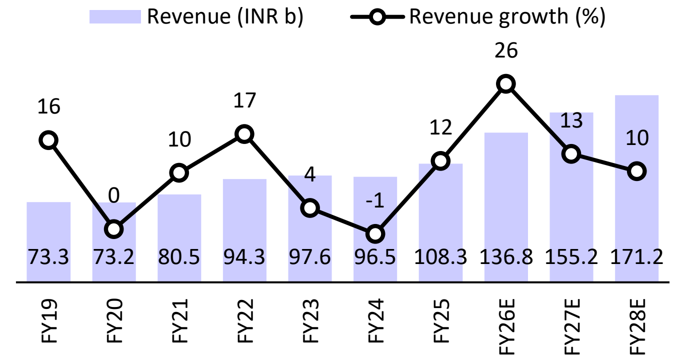
Exhibit 9: Key acquisitions of Marico

Year	Name of company	Stake	Previous Owner	Category	Consideration	Target's turnover (In mn)	Rationale
FY12	Set Wet	100%	Paras Personal Care (Owned by Reckitt Benckiser)	BPC	NA	FY12 - 1,500 mn	❖ Strengthens Marico's presence in the male grooming/styling category with a mass-premium positioning. Enhances play in youth-centric urban segments with strong brand recall.
FY17	Isoplus	100%	JM Products SA Pty. Limited & Ms. Mary Harris	BPC	INR 360mn	FY16 - 300 mn	❖ Provides entry into the ethnic haircare segment (Black hair products) in international markets. Helps diversify portfolio and strengthen presence in niche global categories.
FY17	Beardo	45%	Zed lifestyles Pvt. Ltd.	BPC	INR 0.2bn	NA	❖ Builds a strong foothold in premium men's grooming and beard care. Enables rapid scale-up in D2C-led grooming with strong digital traction and brand loyalty.
FY20	Beardo	55%	Zed lifestyles Pvt. Ltd.	BPC	INR 1.3 bn	FY20 - 785 mn	❖ Builds a strong foothold in premium men's grooming and beard care. Enables rapid scale-up in D2C-led grooming with strong digital traction and brand loyalty.
FY21	Just Herbals	60%	Apcos Naturals Private Limited ("Apcos Naturals")	BPC	NA	FY21 - 175mn	❖ Expands into ayurvedic and clean beauty skincare, aligned with natural product trends. Strengthens premium personal care portfolio with high-margin offerings.
FY24	Just Herbals	40%	Apcos Naturals Private Limited ("Apcos Naturals")	BPC	INR 0.7 bn	FY24 -960 mn	❖ Expands into ayurvedic and clean beauty skincare, aligned with natural product trends. Strengthens premium personal care portfolio with high-margin offerings.
FY22	True elements	54%	HW Wellness Solutions Private Limited ("HW Wellness")	Packaged Foods	INR 0.2 bn	FY22 - 543mn	❖ Establishes presence in health foods and clean-label breakfast/snacking. Aligns with rising health-conscious consumption and supports foods premiumisation strategy.
FY25	True elements	46%	HW Wellness Solutions Private Limited ("HW Wellness")	Packaged Foods	INR 1.4 bn	FY25 -1,644 mn	❖ Establishes presence in health foods and clean-label breakfast/snacking. Aligns with rising health-conscious consumption and supports foods premiumisation strategy.
FY22	Puritè de Prôvence, Ôliv	100%	Beauty X Joint Stock Company ("BeautyX")	BPC	INR 1.7 bn	CY21 - 820mn	❖ Enhances presence in premium skincare and international personal care segments. Supports portfolio premiumisation and brand diversification in global markets.
FY23	Plix	58%	Satiya Nutraceuticals Private Limited ("Satiya Nutraceuticals")	Health & Wellness	INR 3.7bn	FY23 -1,064 mn	❖ Enters fast-growing plant-based nutrition and wellness space. Leverages D2C and digital channels to tap into health, fitness, and lifestyle-driven consumption.
FY26	4700BC	93%	Zea Maize Private Limited ("Zea Maize")	Packaged Foods	INR 2.3bn	FY25 - 987 mn	❖ Strengthens play in premium snacking (ready-to-eat popcorn) category. Adds a scalable, youth-focused brand in the high-growth foods segment.
FY26	Cosmix	60%	Cosmix Wellness Private Limited ("Cosmix Wellness")	Health & Wellness	INR 2.3bn	FY25 - 509 mn	❖ Expands into clean-label, plant-based health supplements. Complements Plix and strengthens positioning in holistic wellness and nutrition.
FY26	Candid, Murad	75%	Skinetiq Joint Stock Company ("Skintetiq")	BPC	INR 2.6bn	CY25 - 1,520 mn	❖ Candid - Provides entry into dermatology-led skincare, a high-growth premium segment. Enhances credibility in science-backed personal care offerings. Murad - Adds a globally recognized premium clinical skincare brand. Strengthens presence in high-end skincare with strong margins and brand equity.

Source: MOFSL, Company

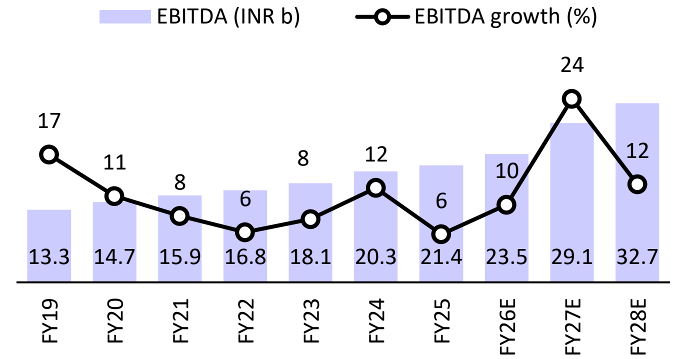
Story in charts

Exhibit 10: Revenue to clock a 12% CAGR over FY26-28E…



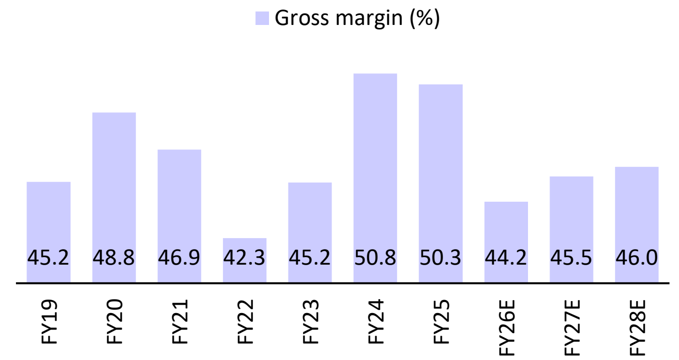
Source: MOFSL, Company

Exhibit 11: …with EBITDA rising 18% over the same period



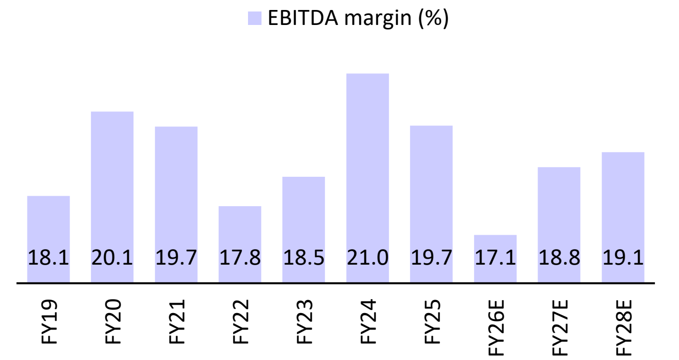
Source: MOFSL, Company

Exhibit 12: Gross margin likely to expand…



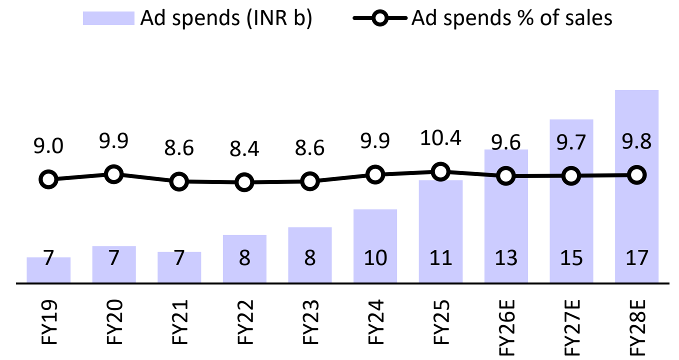
Source: MOFSL, Company

Exhibit 13: …leading to an EBITDA margin expansion



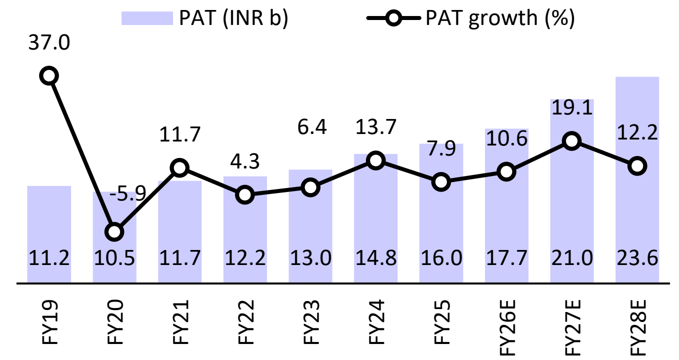
Source: MOFSL, Company

Exhibit 14: A&P spending to remain steady at ~10% of sales



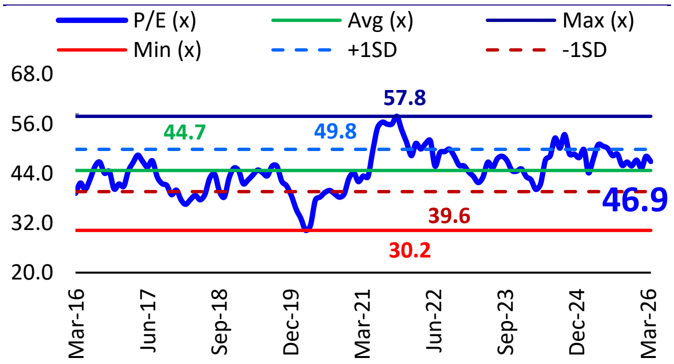
Source: MOFSL, Company

Exhibit 15: PAT to post ~16% CAGR over FY26-28E



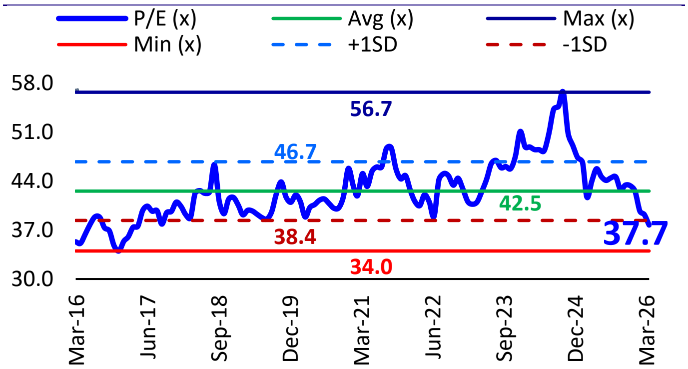
Source: MOFSL, Company

Exhibit 16: Marico's P/E (x)



Source: Company, MOFSL

Exhibit 17: Consumer sector's P/E (x) (ex-ITC)



Source: Company, MOFSL

Financials and valuations

Income Statement										(INR m)
Y/E March	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Net Sales	**73,336**	**73,150**	**80,480**	**94,266**	**97,640**	**96,530**	**1,08,310**	**1,36,759**	**1,55,212**	**1,71,205**
Change (%)	16.0	-0.3	10.0	17.1	3.6	-1.1	12.2	26.3	13.5	10.3
COGS	40,170	37,450	42,740	54,360	53,510	47,480	53,880	76,311	84,591	92,451
Gross Profit	**33,166**	**35,700**	**37,740**	**39,906**	**44,130**	**49,050**	**54,430**	**60,447**	**70,622**	**78,754**
Margin (%)	45.2	48.8	46.9	42.3	45.2	50.8	50.3	44.2	45.5	46.0
Operating Expenses	19,910	21,010	21,860	23,096	26,030	28,790	33,040	36,994	41,498	46,016
EBITDA	**13,256**	**14,690**	**15,880**	**16,810**	**18,100**	**20,260**	**21,390**	**23,453**	**29,123**	**32,739**
Change (%)	16.5	10.8	8.1	5.9	7.7	11.9	5.6	9.6	24.2	12.4
Margin (%)	18.1	20.1	19.7	17.8	18.5	21.0	19.7	17.1	18.8	19.1
Depreciation	1,310	1,400	1,390	1,390	1,550	1,580	1,780	2,029	2,442	2,597
Int. and Fin. Charges	400	500	340	390	560	730	530	477	501	526
Other Income - Recurring	1,030	1,240	1,131	958	1,440	1,420	1,660	1,879	1,715	2,045
Profit before Taxes	**12,576**	**14,030**	**15,281**	**15,988**	**17,430**	**19,370**	**20,740**	**22,827**	**27,895**	**31,661**
Change (%)	12.6	11.6	8.9	4.6	9.0	11.1	7.1	10.1	22.2	13.5
Margin (%)	17.1	19.2	19.0	17.0	17.9	20.1	19.1	16.7	18.0	18.5
Current Tax (excl MAT Ent)	1,430	3,470	3,240	3,460	4,210	4,350	4,580	4,763	6,695	7,915
Deferred Tax	-170	-160	0	0	0	0	0	0	0	0
Tax Rate (%)	10.0	23.6	21.2	21.6	24.2	22.5	22.1	20.9	24.0	25.0
Minority Interest	-160	-220	-310	-290	-200	-210	-290	-377	-339	-305
Profit after Taxes	**11,156**	**10,500**	**11,731**	**12,238**	**13,020**	**14,810**	**15,975**	**17,627**	**20,861**	**23,440**
Change (%)	37.0	-5.9	11.7	4.3	6.4	13.7	7.9	10.3	18.3	12.4
Margin (%)	15.2	14.4	14.6	13.0	13.3	15.3	14.7	12.9	13.4	13.7
Extraordinary items	1,871	-154	231	-22	0	0	315	0	0	0
Reported PAT	**13,027**	**10,346**	**11,962**	**12,216**	**13,020**	**14,810**	**16,290**	**17,627**	**20,861**	**23,440**

Balance Sheet										(INR m)
Y/E March	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Share Capital	1,290	1,290	1,290	1,290	1,290	1,290	1,290	1,290	1,290	1,290
Reserves	28,460	28,940	31,110	31,890	36,700	37,030	38,460	39,962	43,407	48,142
Net Worth	**29,750**	**30,230**	**32,400**	**33,180**	**37,990**	**38,320**	**39,750**	**41,252**	**44,697**	**49,432**
Minority Interest	120	130	180	570	1,570	3,370	2,910	3,287	3,626	3,932
Loans	3,490	3,350	3,480	3,450	4,750	3,830	3,790	3,050	2,850	2,650
Capital Employed	**33,360**	**33,710**	**36,060**	**37,200**	**44,310**	**45,520**	**46,450**	**47,589**	**51,174**	**56,014**
Gross Fixed Assets	11,180	12,650	15,450	17,910	22,240	28,590	30,770	39,020	41,020	43,020
Less: Accum. Depn.	-3,210	-4,070	-5,460	-6,850	-8,400	-9,980	-11,760	-13,789	-16,231	-18,828
Net Fixed Assets	**7,970**	**8,580**	**9,990**	**11,060**	**13,840**	**18,610**	**19,010**	**25,231**	**24,789**	**24,192**
Capital WIP	450	580	240	390	670	440	400	400	400	400
Goodwill	5,030	5,380	6,130	6,540	8,620	8,630	8,570	8,570	8,570	8,570
Investments	**4,500**	**7,330**	**8,540**	**8,280**	**10,960**	**6,020**	**15,900**	**10,900**	**10,900**	**10,900**
Current	3,910	6,280	6,280	6,410	5,780	2,590	13,750	8,750	8,750	8,750
Non-current	590	1,050	2,260	1,870	5,180	3,430	2,150	2,150	2,150	2,150
Deferred Charges	0	0	0	0	0	0	0	0	0	0
Curr. Assets, L&A	**29,120**	**26,560**	**28,340**	**29,420**	**33,910**	**39,830**	**38,930**	**33,066**	**41,004**	**49,922**
Inventory	14,110	13,800	11,280	14,009	12,250	13,360	12,350	13,416	15,103	16,621
Account Receivables	5,170	5,390	3,880	6,520	10,150	10,690	12,710	8,616	9,778	10,786
Cash and Bank Balance	5,520	2,790	9,250	5,391	7,560	9,430	7,770	6,399	11,467	17,839
Others	4,320	4,580	3,930	3,500	3,950	6,350	6,100	4,634	4,656	4,675
Curr. Liab. and Prov.	**15,600**	**16,250**	**18,200**	**19,270**	**23,370**	**25,900**	**34,450**	**28,668**	**32,579**	**36,060**
Current Liabilities	3,880	4,240	5,190	4,430	7,260	8,780	19,090	20,999	23,099	25,409
Accounts Payable	9,440	9,780	11,340	13,440	14,520	15,810	13,630	5,669	7,168	7,976
Provisions	2,280	2,230	1,670	1,400	1,590	1,310	1,730	2,000	2,313	2,675
Net Current Assets	**13,520**	**10,310**	**10,140**	**10,150**	**10,540**	**13,930**	**4,480**	**4,398**	**8,425**	**13,862**
Deferred Tax Liability	1,890	1,530	1,020	780	-320	-2,110	-1,910	-1,910	-1,910	-1,910
Application of Funds	**33,360**	**33,710**	**36,060**	**37,200**	**44,310**	**45,520**	**46,450**	**47,589**	**51,174**	**56,014**

E: MOFSL Estimates

Financials and valuations

Ratios										
Y/E March	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Basic (INR)										
EPS	**8.6**	**8.1**	**9.1**	**9.5**	**10.1**	**11.5**	**12.4**	**13.7**	**16.2**	**18.2**
Cash EPS	8.2	9.1	10.1	10.6	11.3	12.7	13.8	15.2	18.1	20.2
BV/Share	23.1	23.4	25.1	25.7	29.4	29.7	30.8	32.0	34.6	38.3
DPS	5.0	6.8	7.5	9.3	9.5	10.5	11.5	12.5	13.5	14.5
Payout %	49.5	84.2	80.9	97.7	94.1	91.5	91.1	91.5	83.5	79.8
Valuation (x)										
P/E	85.1	90.4	80.9	77.6	72.9	64.1	59.4	53.9	45.5	40.5
Cash P/E	89.6	80.7	73.0	69.6	65.2	57.9	53.5	48.3	40.7	36.5
EV/Sales	12.9	12.9	11.6	10.0	9.6	9.7	8.6	6.8	6.0	5.4
EV/EBITDA	71.1	64.2	58.9	55.9	51.7	46.3	43.5	39.9	31.9	28.2
P/BV	31.9	31.4	29.3	28.6	25.0	24.8	23.9	23.0	21.2	19.2
Dividend Yield (%)	0.7	0.9	1.0	1.3	1.3	1.4	1.6	1.7	1.8	2.0
Return Ratios (%)										
RoE	40.4	35.0	37.5	37.3	36.6	38.8	40.9	43.5	48.5	49.8
RoCE	37.7	33.1	35.3	35.0	33.5	34.7	36.0	39.2	43.7	45.0
RoIC	49.0	44.2	55.6	58.7	52.0	52.9	58.8	64.9	69.6	81.8
Working Capital Ratios										
Debtor (Days)	26	27	18	25	38	40	43	23	23	23
Asset Turnover (x)	2.2	2.2	2.2	2.5	2.2	2.1	2.3	2.9	3.0	3.1
Leverage Ratio										
Debt/Equity (x)	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1

Cash Flow Statement										(INR m)
Y/E March	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**
OP/(loss) before Tax	12,570	13,740	15,401	15,988	17,430	19,370	21,160	22,767	27,895	31,661
Others	-460	-100	-231	22	-580	-1,000	-1,300	0	0	0
Depreciation	1,310	1,500	1,390	1,390	1,550	1,580	1,780	2,029	2,442	2,597
Interest Paid	-140	-220	340	390	70	-40	-240	477	501	526
Direct Taxes Paid	-3,200	-2,900	-3,240	-3,460	-3,690	-3,780	-4,840	-4,763	-6,695	-7,915
(Incr)/Decr in WC	210	330	7,230	-3,728	-590	-2,260	-2,930	-1,501	788	642
CF from Operations	**10,290**	**12,350**	**20,890**	**10,602**	**14,190**	**13,870**	**13,630**	**19,009**	**24,931**	**27,511**
(Incr)/Decr in FA	-1,430	-1,860	-3,210	-3,020	-1,570	-1,350	-1,220	-8,250	-2,000	-2,000
Free Cash Flow	**8,860**	**10,490**	**17,680**	**7,582**	**12,620**	**12,520**	**12,410**	**10,759**	**22,931**	**25,511**
(Pur)/Sale of Investments	1,030	-1,890	0	-130	-7,560	2,450	-5,690	5,000	0	0
Others	609	130	-1,380	870	2,709	2,320	-1,890	-16	-10	-9
CF from Invest.	**209**	**-3,620**	**-4,590**	**-2,280**	**-6,421**	**3,420**	**-8,800**	**-3,266**	**-2,010**	**-2,009**
Issue of Shares	0	0	225	453	90	340	460	0	0	0
(Incr)/Decr in Debt	-50	-690	130	-30	1,280	-910	-50	-740	-200	-200
Dividend Paid	-6,820	-10,250	-9,675	-11,933	-6,070	-12,290	-4,530	-16,125	-17,415	-18,705
Others	-110	-520	-520	-670	-900	-2,560	-2,370	-249	-239	-224
CF from Fin. Activity	**-6,980**	**-11,460**	**-9,840**	**-12,180**	**-5,600**	**-15,420**	**-6,490**	**-17,114**	**-17,854**	**-19,129**
Incr/Decr of Cash	**3,519**	**-2,730**	**6,460**	**-3,858**	**2,169**	**1,870**	**-1,660**	**-1,371**	**5,067**	**6,372**
Add: Opening Balance	2,001	5,520	2,790	9,250	5,391	7,560	9,430	7,770	6,399	11,467
Closing Balance	**5,520**	**2,790**	**9,250**	**5,391**	**7,560**	**9,430**	**7,770**	**6,399**	**11,467**	**17,839**

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
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Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

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Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028, AMFI registered Mutual Fund Distributor and SIF Distributor: ARN .: 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.