

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR308 **TP: INR335 (+9%)** **Neutral**

Cigarette price hike in transit; near-term volatility to sustain

Bloomberg	ITC IN
Equity Shares (m)	12529
M.Cap.(INRb)/(USD\$)	3859.7 / 40.1
52-Week Range (INR)	444 / 287
1, 6, 12 Rel. Per (%)	3/-15/-24
12M Avg Val (INR M)	7649

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	788.7	819.9	878.2
Sales Gr. (%)	2.8	4.0	7.1
EBITDA	273.2	254.9	274.8
EBITDA Mrg. %	34.6	31.1	31.3
Adj. PAT	209.1	194.4	209.3
Adj. EPS (INR)	16.5	15.8	17.0
EPS Gr. (%)	5.0	-4.1	7.6
BV/Sh.(INR)	57.9	58.4	60.6

Ratios

RoE (%)	29.0	27.2	28.6
RoCE (%)	28.3	25.4	26.7
Payout (%)	90.0	90.0	90.0

Valuations

P/E (x)	18.7	19.5	18.1
P/BV (x)	5.3	5.3	5.1
EV/EBITDA (x)	17.6	18.7	17.3
Div. Yield (%)	4.7	4.5	4.9

Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	0.0	0.0	0.0
DII	49.2	48.9	45.2
FII	34.8	36.1	39.9
Others	16.0	15.0	14.9

FII Includes depository receipts

- ITC reported consolidated gross cigarette sales growth of 30% YoY to INR119.5b (est. INR90.4b). Net cigarette sales (INR59.5b) declined 22% given the increase in excise duty. There was a month gap between the new tax announcement date and the implementation date (1st Feb), unprecedented in the history of tax increases. It led to a significant gap between primary and secondary sales, thereby 4Q performance is not comparable. Moreover, given such a sharp increase in taxes, ITC has adopted a calibrated price hike strategy (unlike immediate tax pass-on historically) to protect drop-out of consumers from legal to illegal cigarette markets. Cigarette price hikes are still active, and the cumulative hike has not reached the tax-neutral level.
- Consol. FMCG segment sales grew 15% YoY (beat). A recovery was seen in notebooks despite pressure from low-priced imports and local competition, driven by ITC's calibrated pricing actions. ITC has seen strong growth across products, with premium offerings continuing to perform well. EBIT grew 52% YoY to INR5.3b (beat) and EBIT margin expanded by 200bp to 8.3%.
- Agri business sales declined 15% YoY to INR31.7b (miss), impacted by geopolitical disruptions and a high base. EBIT margin contracted by 50bp YoY to 6.3% (est. 6%).
- Paper business sales grew 2% YoY to INR22.3b, with a similar muted performance in FY26 (4% growth). The minimum import price (MIP) on virgin multi-layer paperboard led to early signs of improvement in net realizations during the quarter. EBIT grew 19% YoY (on base of 33% decline), while EBIT margin expanded 150bp YoY to 10.4% (miss).
- In cigarette business, the tax hike pass-on to consumers is still in progress. Thus, cigarette revenue and EBIT performance will be quite volatile in the near term (at least up to 1QFY27). Earnings pressure on cigarettes would take away the near-term catalysts (recovery in FMCG and Paper) and valuation comfort. ITC has a full cigarette portfolio to better navigate the tax increase, but competitive pressure from illicit cigarettes will take a toll on the formal cigarette industry. A calibrated price hike is expected to impact cigarette EBIT performance in the near term. We maintain our Neutral rating on ITC with **our SoTP-based TP of INR335 (implying 20x FY28E EPS)**.

Cigarette performance not comparable YoY; beat in FMCG

- **Consolidated performance:** ITC's 4Q net revenue declined 5% YoY to INR178.2b (est. INR198.2b). EBITDA grew 6% YoY to INR69.2b (est. INR68.1b). PBT/APAT grew 5%/7% YoY.

Naveen Trivedi – Research Analyst (Naveen.Trivedi@MotilalOswal.com)

Research Analyst: Amey Tiwari (Amey.Tiwari@MotilalOswal.com) | **Tanu Jindal** (Tanu.Jindal@MotilalOswal.com)

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- **Cigarette performance not comparable; EBIT up 7%:** Consol. gross cigarette sales grew 30% YoY to INR119.5b (est. INR90.4b), while net cigarette sales (INR59.5b) declined 22% given the increase in excise duty. ITC witnessed strong performance till Jan'26, driven by strategic portfolio and market interventions. Standalone gross cigarette sales rose 32% YoY to INR110.6b. EBIT grew 7.3% YoY to INR58b (est. INR51.5b). Gross cigarette EBIT margin contracted 100bp YoY to 48.5% (est. 56.9%). 4QFY26 numbers are not comparable given there was a month gap between new tax announcement date and implication of tax hike (1st Feb). It has created a huge variance between primary and secondary sales (throughout the months, particularly in January).
- **FMCG – Others:** Consolidated FMCG-Others sales grew 15% YoY to INR63.5b (est. INR61.4b), driven by Staples, Biscuits, Noodles, Dairy, Premium Personal Wash, Home care & Agarbattis. ITC saw a rebound in Notebooks in 2HFY26, driven by focused interventions and calibrated pricing actions. EBIT grew 52% YoY to INR5.3b (est. INR4.7b) in 4QFY26. EBIT margin expanded by 200bp to 8.3% (est. 7.7%). The surge in prices of key input materials (viz. edible oil, soap noodles, packaging inputs, etc.) toward the end of the quarter amid the West Asia conflict is proactively mitigated through focused market interventions, supply chain agility, cost management and judicious pricing actions.
- **Agri business** declined 15% YoY to INR31.7b (est. INR41.6b). Exports remained relatively subdued during the quarter amid disruptions arising from the West Asia conflict. EBIT fell 21% YoY to INR2b. EBIT margin contracted by 50bp YoY to 6.3% (est. 6%).
- **Paperboard** business sales grew 2% YoY to INR22.3b (est. INR23.1b). EBIT was up 19% YoY at INR2.3b and EBIT margin expanded 150bp YoY to 10.4% (est.11.1%). Input costs moderated amid improved wood availability.
- In FY26, ITC's revenue/EBITDA/APAT grew 3%/4%/5%.

Valuation and view

- The price hike on cigarettes is slower than expected and is expected to impact earnings in FY27. This strategy can lower the drop-out of consumers from legal to illegal, but it is adding near-term earnings risk. We cut our EPS estimates by ~3%
- ITC is still under the transitory phase in terms of passing on the entire tax hike to consumers. Thus, we believe the cigarette revenue and EBIT performance will be volatile in the near term (at least up to 1QFY27).
- The FMCG business continues to perform well with robust improvement in margins. However, we believe earnings pressure on cigarettes would take away the near-term catalysts (recovery in FMCG and Paper) and comfort on valuation. ITC has a full cigarette portfolio to better navigate the tax increase, but competitive pressure from illicit cigarettes will take a toll on the formal cigarette industry.
- We maintain our Neutral rating on ITC with **our SoTP-based TP of INR335 (implying 20x FY28E EPS).**

Consol. Quarterly Performance (Reported)

(INR b)

Y/E March	FY25				FY26				FY25	FY26	FY26 4QE	Var.
	1Q	2Q	3Q	4Q	1Q*	2Q*	3Q	4Q				
Est. cigarette vol. gr. (%)	3.0	3.5	6.0	5.0	6.0	6.0	6.5	NA	4.4	6.2	0.0	
Net Sales	184.6	207.4	187.9	187.7	214.9	195.0	200.5	178.2	767.5	788.7	198.7	-10.3%
YoY change (%)	7.5	16.7	4.3	4.7	16.5	-6.0	6.7	-5.0	8.3	2.8	5.9	
Gross Profit	111.7	115.9	108.3	110.3	112.6	113.6	116.3	120.7	446.2	463.2	113.8	
Margin (%)	60.5	55.9	57.6	58.8	52.4	58.3	58.0	67.7	58.1	58.7	57.3	
EBITDA	67.5	67.6	63.6	65.2	68.2	66.9	68.8	69.2	263.9	273.2	68.1	1.7%
Growth (%)	1.2	4.8	-2.2	-1.6	1.0	-1.0	8.2	6.2	0.5	3.5	4.4	
Margins (%)	36.6	32.6	33.9	34.7	31.7	34.3	34.3	38.8	34.4	34.6	34.3	
Depreciation	5.0	5.2	4.2	4.1	4.2	4.3	4.3	4.2	18.5	17.1	4.3	
Interest	0.1	0.2	0.1	0.1	0.2	0.2	0.2	0.3	0.5	0.9	0.1	
Other Income	6.9	6.2	6.0	6.4	6.8	5.8	5.7	5.9	25.5	24.3	6.6	
PBT	69.4	68.5	65.4	68.4	71.3	68.9	71.1	72.0	271.6	283.3	69.0	4.3%
Tax	17.6	17.9	17.3	16.8	17.8	17.9	17.4	17.0	69.6	70.2	17.1	
Rate (%)	25.4	26.2	26.4	24.6	25.0	26.0	24.4	23.7	25.6	24.8	24.3	
Adj PAT	50.9	49.9	46.8	50.7	52.4	50.6	51.9	54.1	198.4	209.1	50.9	6.1%
YoY change (%)	-0.2	2.0	-12.4	-0.9	3.0	1.3	11.1	6.6	-2.9	5.4	0.4	
Reported PAT	50.9	49.9	45.3	50.7	52.4	51.3	49.3	53.9	196.9	206.9	50.9	5.8%

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

Cigarette performance not comparable

- Consolidated gross cigarette revenue rose 30% YoY to INR119.5b (est. INR90.4b), while net cigarette sales (INR59.5b) declined 22% given the increase in excise duty. ITC witnessed strong performance till Jan'26, driven by strategic portfolio and market interventions.
- EBIT grew by 7.3% YoY to INR58b (est. INR51.5b). Gross cigarette EBIT margin contracted 1,000bp YoY to 48.5% (est. 56.9%).
- ITC stated that the increase in the GST rate from 28% of transaction value to 40% of retail sale price, along with a steep hike in excise duties w.e.f. 1st Feb'26 upon phasing out of compensation cess, has resulted in an unprecedented increase in tax incidence on cigarettes.
- Illicit cigarette trade is estimated to cause a revenue loss of ~INR230b/year to the government and now accounts for nearly one-third of total cigarette consumption.
- The legal cigarette industry continues to engage with policymakers to advocate for pragmatic, fair, and evidence-based taxation and regulatory policies that balance economic priorities with tobacco control objectives, keeping in mind India's unique consumption patterns.

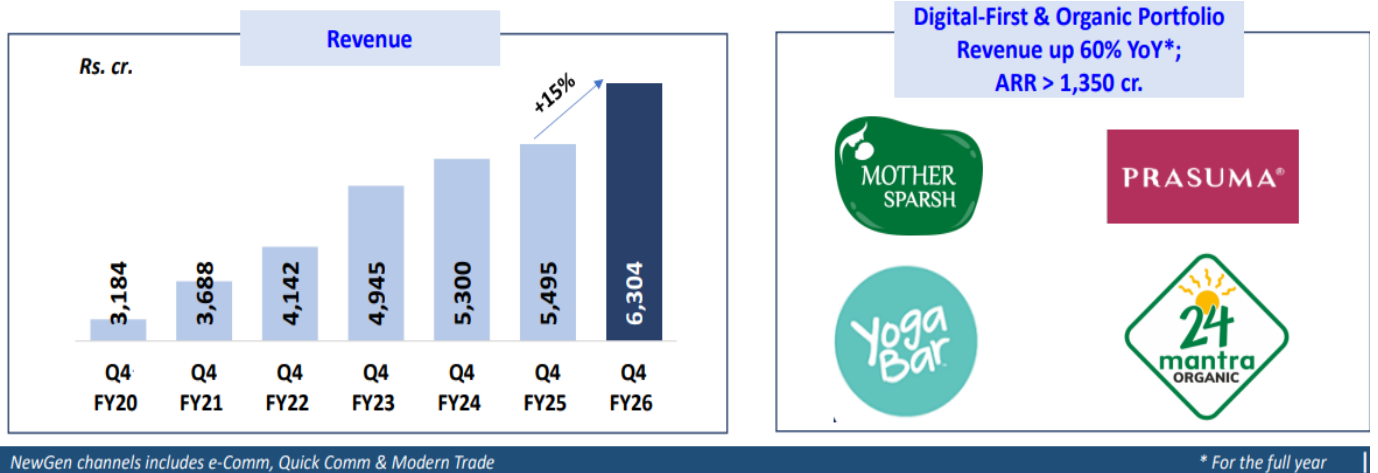
FMCG – Others: Strong performance with robust EBIT margin expansion

- FMCG-Others sales grew 15% YoY to INR63.5b (est. INR61.4b), driven by staples, biscuits, snacks, frozen snacks, noodles, dairy, premium personal wash, homecare, and agarbattis.
- ITC saw a rebound in Notebooks in 2HFY26, driven by focused interventions and calibrated pricing actions amid continued low-priced paper imports and opportunistic play by local/regional players.
- EBITDA grew 37% YoY, while EBITDA margin expanded by 160bp to ~10.5%. EBIT grew 52% YoY to INR5.3b (est. INR4.7bn) and EBIT margin expanded by 200bp to 8.3% (est. 7.7%).
- ITC saw a surge in prices of key input materials toward the end of the quarter amid the West Asia conflict. However, the company is mitigating the same

through focused market interventions, supply chain agility, cost optimization and judicious pricing actions.

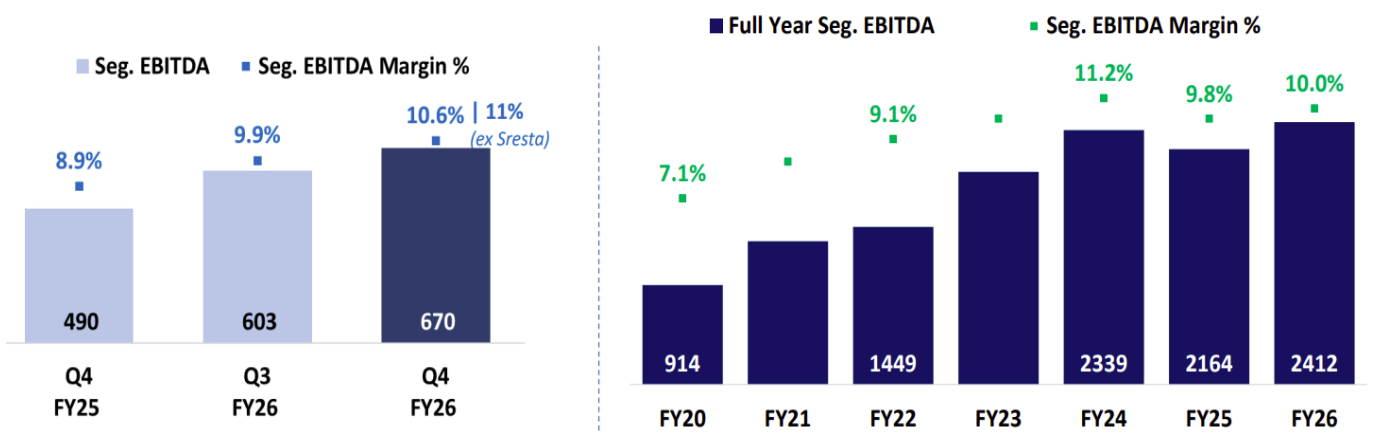
- The premium portfolio and NewGen channels continued to perform strongly, with the digital-first and organic portfolio delivering robust 60% YoY growth, with ARR surpassing INR13.5b.

Exhibit 1: FMCG – segmental revenue growth



Source: Company Presentation

Exhibit 2: FMCG – segmental EBITDA growth and margins



Source: Company Presentation

Paperboards, Paper, and Packaging sales grow 2% YoY

- Paperboards business sales grew 2% YoY to INR22.3b (est. INR23.1b). EBIT grew 19% YoY (on base of 33% decline) to INR2.3b and EBIT margin expanded 150bp YoY to 10.4% (est. 11.1%).
- The MIP on virgin multi-layer paperboard, effective 22nd Aug'25, led to early signs of improvement in net realizations during the quarter.
- Wood prices remained elevated during the year, reflecting tight supply conditions. The cumulative impact of subdued realizations and a surge in wood costs, exerted pressure on margins. Wood prices are expected to moderate going forward as supply conditions improve.
- The industry continues to engage with policymakers to seek an extension of the MIP and sustained safeguard measures against low-priced imports of paperboards and coated as well as uncoated paper.

- The Packaging and Printing business delivered robust growth, driven by strong performance in Cartons portfolios.
- Strong growth in Specialty Paper was led by Décor portfolio.

Agri business posts 15% decline YoY, impacted by geopolitical disruptions

- Agri business consol sales declined by 15% YoY to INR31.7b (est. INR41.6b). EBIT was down 21% YoY at INR2b. EBIT margin contracted by 50bp YoY to 6.3% (est. 6%).
- The business was impacted by geopolitical disruptions, timing difference and higher base. In 4Q, exports were subdued, impacted by West Asia conflict-led disruptions.
- ITC expects the sharp increase in cigarette taxation to weaken near-term domestic demand for leaf tobacco, adversely impacting key stakeholders across the Indian tobacco value chain. The operating environment remains challenging amid ongoing geopolitical tensions in West Asia and oversupply conditions in global tobacco markets.
- ITC is rapidly scaling up its value-added agri products (VAAP) portfolio, straddling multiple agri-value chains, including spices, coffee, frozen marine products and horticulture products etc. They have grown 1.4x over the last two years.
- The business continues to focus on market development and scaling up business, leveraging structural capabilities (sourcing, processing, customer relations).
- The company was able to leverage its state-of-the-art facility at Mysuru through rapid exports of Nicotine & Nicotine derivative products.

Fresh food business

- Fresh food business aims to leverage the company's strengths in food science and manufacturing, FMCG food brands, and culinary expertise to capitalize on the rapidly growing online food services market.
- The business offers a diverse and expanding range of cuisines across four brands—ITC Master Chef Creations, ITC Aashirvaad Soul Creations, ITC Sunfeast Baked Creations, and Sansho by ITC Master Chef—which continue to gain strong consumer traction.
- The full-stack food-tech platform has scaled up and is being progressively rolled out across India. The business expanded its operating footprint to ~70 cloud kitchens, with 25 Kitchens opened in FY26.
- Gross merchandise value (GMV) more than doubled YoY to ~INR2,200m as of FY26 from ~INR1,050m in FY25.

Key exhibits

Exhibit 3: Segmental information

Segmental Information	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26
Net sales (INR b)								
Gross Cigarettes	88.4	88.8	89.4	92.3	95.5	94.1	96.8	119.5
Cigarettes	72.7	73.3	73.9	76.2	79.2	76.6	80.2	59.5
FMCG - Others	55.0	55.9	54.3	55.0	58.0	60.6	61.1	63.5
Agri business	70.0	58.5	36.3	36.9	97.2	40.4	38.6	31.7
Paper and packaging	19.8	21.1	21.4	21.9	21.2	22.2	22.0	22.3
Sales growth (YoY)								
Gross Cigarettes	5.8	6.6	7.8	6.2	8.0	6.0	8.2	29.5
Cigarettes	5.7	7.3	8.1	6.3	8.9	4.5	8.6	(21.8)
FMCG - Others	6.3	5.3	4.0	3.7	5.5	8.5	12.6	15.4
Agri business	22.2	46.6	10.8	17.8	39.0	(30.9)	6.4	(14.3)
Paper and packaging	(6.8)	2.1	3.1	5.6	7.1	5.0	2.7	1.8
Volume growth (YoY)								
Cigarettes	3.0	3.5	6.0	5.0	6.0	6.0	6.5	0.0
EBIT (INR b)								
Cigarettes	52.6	52.4	51.9	54.0	55.0	54.6	54.9	58.0
FMCG - Others	4.8	4.4	3.2	3.5	4.0	4.4	4.5	5.3
Agri business	3.4	4.5	5.0	2.5	4.3	4.5	5.0	2.0
Paper and packaging	2.6	2.3	2.0	1.9	1.5	1.8	1.9	2.3
EBIT growth (YoY)								
Cigarettes	6.3	4.8	4.5	4.8	4.6	4.2	5.7	7.3
FMCG - Others	10.4	0.4	(26.1)	(27.9)	(16.7)	(1.2)	39.8	51.9
Agri business	(2.2)	24.5	30.3	35.5	26.1	1.5	(0.1)	(20.8)
Paper and packaging	(45.6)	(25.4)	(33.2)	(33.0)	(40.9)	(22.8)	(4.2)	19.3
EBIT margin (%)								
Gross Cigarettes	59.4	59.0	58.0	58.5	57.6	58.0	56.7	48.5
Cigarettes	72.3	71.5	70.3	70.9	69.4	71.3	68.4	97.4
FMCG - Others	8.7	8.0	5.9	6.3	6.9	7.2	7.3	8.3
Agri business	4.9	7.6	13.7	6.8	4.5	11.2	12.8	6.3
Paper and packaging	13.0	11.1	9.2	8.9	7.2	8.2	8.6	10.4
EBIT margin change (%)								
Gross Cigarettes	0.3	(1.0)	(1.8)	(0.8)	(1.9)	(1.0)	(1.4)	(10.0)
Cigarettes	0.4	(1.7)	(2.4)	(1.1)	(2.8)	(0.2)	(1.9)	26.4
FMCG - Others	0.3	(0.4)	(2.4)	(2.7)	(1.8)	(0.7)	1.4	2.0
Agri business	(1.2)	(1.4)	2.1	0.9	(0.5)	3.6	(0.8)	(0.5)
Paper and packaging	(9.3)	(4.1)	(5.0)	(5.1)	(5.8)	(2.9)	(0.6)	1.5

Valuation and view

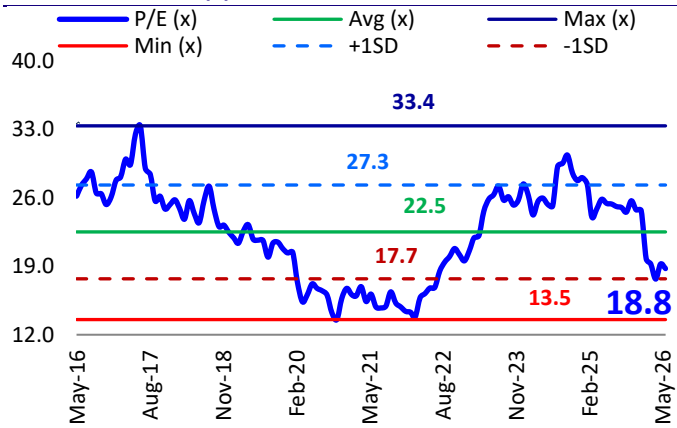
- The price hike in cigarettes is slower than expected and is expected to impact earnings in FY27. This strategy can lower the drop-out of consumers from legal to illegal, but it is adding near-term earnings risk. We cut our EPS estimates by ~3%.
- ITC is still under the transitory phase in terms of passing on the entire tax hike to consumers. Thus, we believe the cigarette revenue and EBIT performance will be volatile in the near term (at least up to 1QFY27).
- The FMCG business continues to perform well with robust improvement in margins. However, we believe earnings pressure on cigarettes would take away the near-term catalysts (recovery in FMCG and Paper) and comfort on valuation. ITC has a full cigarette portfolio to better navigate the tax increase, but competitive pressure from illicit cigarettes will take a toll on the formal cigarette industry.
- We maintain our Neutral rating on ITC with **our SoTP-based TP of INR335 (implying 20x FY28E EPS)**.

Exhibit 4: We cut our EPS estimates for FY27 and FY28 by 3%

	New		Old		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Sales	819.9	878.2	859.3	915.2	-4.6	-4.0
EBITDA	254.9	274.8	268.6	291.6	-5.1	-5.8
PAT	198.4	213.5	203.8	220.9	-2.6	-3.4

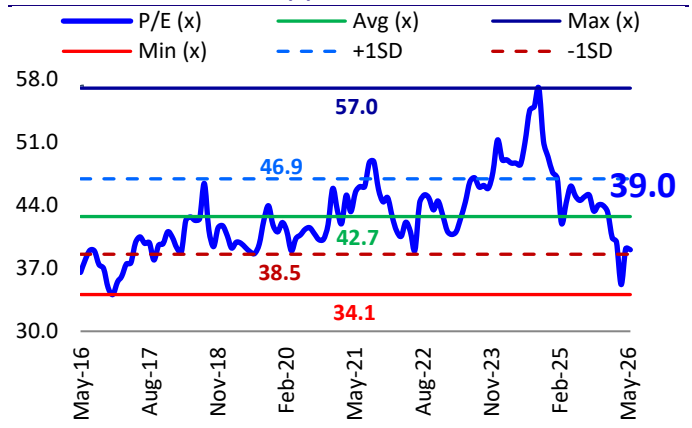
Source: MOFSL

Exhibit 5: ITC P/E (x)



Source: Bloomberg, MOFSL

Exhibit 6: Consumer P/E (x)



Source: Bloomberg, MOFSL

Financials and valuations

Income Statement									(INR b)
Y/E March	2020	2021	2022	2023	2024	2025	2026	2027E	2028E
Net Sales	513.9	531.6	652.0	765.2	768.4	830.4	899.1	934.7	1,001.1
Excise duty	19.9	38.8	45.4	55.8	59.6	62.9	110.4	114.8	122.9
Total Revenue	494.0	492.7	606.7	709.4	708.8	767.5	788.7	819.9	878.2
Change (%)	2.2	-0.3	23.1	16.9	-0.1	8.3	2.8	4.0	7.1
Gross Profit	320.6	291.4	342.8	419.3	436.3	446.2	463.2	446.9	483.0
Margin (%)	64.9	59.1	56.5	59.1	61.6	58.1	58.7	54.5	55.0
Other operating expenditure	128.0	121.4	136.2	162.7	173.8	182.3	190.0	191.9	208.2
EBITDA	192.6	170.0	206.6	256.6	262.5	263.9	273.2	254.9	274.8
Change (%)	4.6	-11.7	21.5	24.2	2.3	0.5	3.5	-6.7	7.8
Margin (%)	39.0	34.5	34.1	36.2	37.0	34.4	34.6	31.1	31.3
Depreciation	16.4	16.5	17.3	18.1	18.2	18.5	17.1	18.5	19.1
Int. and Fin. Charges	0.5	0.4	0.4	0.4	0.5	0.5	0.9	0.9	1.0
Other Inc. - Recurring	26.0	26.3	18.4	19.8	27.3	25.5	24.3	25.5	26.7
Profit before Taxes	201.7	179.4	207.4	258.4	271.5	271.6	283.3	264.9	285.6
Change (%)	5.4	-11.1	15.6	24.6	5.1	0.1	4.3	-6.5	7.8
Margin (%)	40.8	36.4	34.2	36.4	38.3	35.4	35.9	32.3	32.5
Tax	48.5	44.6	53.1	64.5	61.7	69.6	70.2	66.7	71.9
Deferred Tax	-4.0	0.9	-0.7	-0.1	2.2	0.0	0.0	0.0	0.0
Tax Rate (%)	22.0	25.4	25.3	24.9	23.5	25.6	24.8	25.2	25.2
Profit after Taxes	152.6	130.4	150.4	186.3	204.3	196.9	206.9	198.4	213.5
Change (%)	22.4	-14.6	15.4	23.9	9.7	-3.6	5.1	-4.1	7.6
Margin (%)	30.9	26.5	24.8	26.3	28.8	25.7	26.2	24.2	24.3
Reported PAT	145.9	131.7	152.2	190.9	204.4	198.4	209.1	194.4	209.3

Balance Sheet									(INR b)
Y/E March	2020	2021	2022	2023	2024	2025	2026	2027E	2028E
Share Capital	12.3	12.3	12.3	12.4	12.5	12.5	12.5	12.5	12.5
Reserves	640.4	585.6	602.3	679.1	732.6	687.8	712.5	719.0	747.1
Net Worth	652.7	598.0	614.7	691.6	745.1	700.3	725.1	731.6	759.7
Loans	0.1	0.1	0.1	0.4	0.1	0.9	21.9	24.0	26.3
Deferred Liability	15.7	16.8	16.1	15.8	20.7	20.7	20.7	20.7	20.7
Capital Employed	668.5	614.8	630.8	707.7	765.9	721.9	767.6	776.3	806.7
Gross Block	364.2	396.5	423.4	457.6	476.6	436.3	463.8	494.7	525.6
Less: Accum. Depn.	147.0	163.5	180.8	198.9	217.1	216.7	238.4	256.9	276.0
Net Fixed Assets	217.2	233.1	242.6	258.7	278.3	219.6	225.5	237.8	249.6
Capital WIP	32.5	40.0	32.0	29.8	28.5	10.9	15.0	12.0	9.6
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Investments	286.6	248.7	248.4	294.2	311.1	347.2	381.3	396.3	411.3
Current	179.5	148.5	122.6	172.3	129.4	162.9	207.5	222.5	237.5
Non-current	107.2	100.2	125.8	121.8	181.7	184.3	173.8	173.8	173.8
Curr. Assets, L&A	236.8	210.3	239.1	275.6	299.6	298.1	306.0	319.1	344.3
Inventory	89.7	104.0	108.6	117.7	141.5	156.4	186.2	160.7	170.8
Account Receivables	25.6	25.0	24.6	29.6	40.3	47.2	39.2	46.7	50.1
Cash and Bank Balance	72.8	41.1	36.6	48.8	72.2	40.1	30.1	58.7	67.8
Others	48.7	40.2	69.2	79.5	45.6	54.4	50.4	53.0	55.6
Curr. Liab. and Prov.	100.8	113.8	127.6	146.8	147.8	150.2	156.4	181.5	196.3
Account Payables	36.3	43.2	44.2	46.6	48.0	48.1	56.4	59.4	63.7
Other Liabilities	59.9	65.3	75.7	98.6	98.2	100.8	95.1	120.3	130.6
Net Current Assets	136.0	96.5	111.5	128.8	151.8	147.9	149.6	137.6	147.9
Application of Funds	672.3	618.3	634.5	711.5	769.7	725.6	771.3	783.7	818.5

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	2020	2021	2022	2023	2024	2025	2026	2027E	2028E
Basic (INR)									
EPS	12.4	10.6	12.2	15.0	16.4	15.7	16.5	15.8	17.0
Cash EPS	13.8	11.9	13.6	16.4	17.8	17.2	17.9	17.3	18.6
BV/Share	53.1	48.6	49.9	55.6	59.7	56.0	57.9	58.4	60.6
DPS	10.2	10.8	11.5	15.5	13.8	14.4	14.5	14.0	15.0
Payout %	85	100	93	101	84	91	90	90	90
Valuation (x)									
P/E	24.8	29.1	25.2	20.5	18.8	19.6	18.7	19.5	18.1
Cash P/E	22.4	25.8	22.6	18.7	17.3	17.9	17.2	17.8	16.6
EV/Sales	9.4	9.3	7.6	6.4	6.3	5.8	5.4	5.1	4.8
EV/EBITDA	25.2	28.9	23.8	19.0	18.4	18.3	17.6	18.7	17.3
P/BV	5.8	6.3	6.2	5.5	5.2	5.5	5.3	5.3	5.1
Dividend Yield (%)	3.3	3.5	3.7	5.0	4.5	4.7	4.7	4.5	4.9
Return Ratios (%)									
RoE	24.5	20.9	24.8	28.5	28.4	27.2	29.0	27.2	28.6
RoCE	24.6	20.9	24.9	29.0	28.2	27.1	28.3	25.4	26.7
RoIC	49.5	40.8	47.3	55.2	54.2	53.9	57.9	54.4	61.0
Working Capital Ratios									
Debtor (Days)	24	19	15	14	18	21	20	19	20
Asset Turnover (x)	0.8	0.9	1.0	1.1	1.0	1.2	1.2	1.2	1.2

Cash Flow Statement

Y/E March	2020	2021	2022	2023	2024	2025	2026	2027E	2028E
OP/(loss) before Tax	200.3	179.5	207.2	259.2	271.4	269.3	280.3	264.9	285.6
Financial other income	-8.0	-0.1	0.2	-3.0	-6.6	-7.0	-7.7	4.0	4.2
Depreciation and Amort.	16.4	16.5	17.3	18.1	18.2	19.5	17.1	18.5	19.1
Interest Paid	-14.7	-15.3	-6.9	-15.3	-16.6	-14.6	-13.8	-20.6	-22.2
Direct Taxes Paid	-50.2	-44.6	-53.1	-62.5	-61.2	-63.5	-63.7	-66.7	-71.9
Incr in WC	3.0	6.1	-18.5	-7.7	-33.4	-27.4	-27.6	40.6	-1.2
CF from Operations	146.9	142.0	146.3	188.8	171.8	176.3	184.6	240.7	213.5
Other items	44.7	14.7	3.3	24.1	42.0	-26.1	20.1	16.7	18.1
Incr Decr in FA	24.1	39.9	18.8	26.9	34.6	21.0	21.3	27.9	28.5
Free Cash Flow	122.8	102.2	127.5	161.8	137.2	155.2	163.3	212.8	185.0
Pur of Investments	54.4	-37.9	-0.3	43.7	-29.6	-9.2	32.0	15.0	15.0
CF from Invest.	-33.8	12.8	-15.2	-46.6	37.1	-38.0	-33.2	-26.2	-25.4
Issue of shares	6.3	0.0	0.0	24.8	14.4	8.0	4.0	0.0	0.0
Incr in Debt	0.0	0.0	0.0	-0.6	-0.6	-0.3	19.5	2.1	2.3
Net Interest Paid	0.4	0.0	0.0	0.4	0.5	0.5	0.8	0.0	0.0
Dividend Paid	87.1	186.5	135.6	154.0	199.0	177.6	182.7	187.9	181.3
Others	-0.5	0.0	0.0	0.1	0.1	0.1	-1.5	0.0	0.0
CF from Fin. Activity	-81.8	-186.4	-135.6	-130.1	-185.5	-170.4	-161.5	-185.8	-178.9
Incr of Cash	31.3	-31.7	-4.5	12.2	23.4	-32.1	-10.0	28.6	9.1
Add: Opening Balance	41.5	72.8	41.1	36.6	48.8	72.2	40.1	30.1	58.7
Closing Balance	72.8	41.1	36.6	48.8	72.2	40.1	30.1	58.7	67.8

E: MOFSL Estimates

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Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

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Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

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