5 May 2026

4QFY26 Results Update | Sector: Consumer

Marico

Estimate changes	↔
TP change	↑
Rating change	↔

Bloomberg	MRCO IN
Equity Shares (m)	1298
M.Cap.(INRb)/(USDb)	1047.9 / 11
52-Week Range (INR)	814 / 680
1, 6, 12 Rel. Per (%)	0/19/13
12M Avg Val (INR M)	1456

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	136.1	152.4	169.1
Sales Gr. (%)	25.7	12.0	11.0
EBITDA	23.3	28.5	33.0
EBITDA Margin. %	17.1	18.7	19.5
Adj. PAT	17.7	20.7	23.8
Adj. EPS (INR)	13.6	15.9	18.3
EPS Gr. (%)	9.7	17.1	14.9
BV/Sh.(INR)	32.4	34.8	38.6
Ratios			
RoE (%)	43.2	47.4	49.8
RoCE (%)	39.2	43.2	45.6
Payout (%)	92.2	84.8	79.3
Valuations			
P/E (x)	59.4	50.7	44.1
P/BV (x)	24.9	23.2	20.9
EV/EBITDA (x)	44.0	36.5	31.4
Div. Yield (%)	1.5	1.7	1.8

Shareholding Pattern (%)

As of	Mar-26	Dec-25	Mar-25
Promoter	58.9	58.9	59.1
DII	12.3	12.4	14.2
FII	24.3	24.2	22.2
Others	4.5	4.5	4.5

FII includes depository receipts

CMP: INR807 TP: INR950 (+18%) Buy

Consistency intact; FY27 earnings to be an outlier among peers

- Marico (MRCO) reported consolidated revenue growth of 22% YoY (in line) in 4QFY26. Domestic revenue grew 21% YoY, with volume growth of 9% YoY (in line). International revenue grew 19% YoY (+25% CC). Demand remained stable in 4Q; however, geopolitical crises in the Middle East pose near-term macro risks.
- Gross margin contracted 360bp YoY to 44.9% (est. 44.1%), while improving 140bp QoQ owing to the recent correction in copra prices. That said, vegetable oils and other crude-linked inputs are expected to remain inflationary given the ongoing geopolitical developments. EBITDA margin contracted 110bp YoY to 15.6% in 4Q (in line), while EBITDA grew 14% (est. 16%). Management expects to deliver high-teens EBITDA growth in FY27.
- MRCO expects to sustain high single-digit volume growth in the India business in FY27, driven by both the core portfolio and new growth engines. International business is expected to deliver mid-teen constant-currency (CC) growth driven by broad-based performance across markets. At a consol. level, the company aims to achieve double-digit revenue growth, surpassing INR150b in FY27. In the medium term, MRCO aspires to cross INR200b by FY30 (10-11% CAGR) along with mid-teens EBITDA CAGR. The management expects GM to expand 350-400bp in FY27, while EBITDA is likely to expand +150bp (with upside risk if the crude basket becomes soft).
- The company aims to deliver double-digit revenue CAGR over FY26-30, aided by strong volume growth and CC growth in the teens in international business with mid-teens EBITDA CAGR. In line with its aspiration, we model a 12% revenue and 19% EBITDA CAGR over FY26-28E. Given its sustained growth trajectory, diversifying revenue streams, and strong focus on TAM expansion, we believe the stock's premium valuation is likely to be sustained. MRCO remains one of our topics in our coverage universe. **We reiterate our BUY rating on the stock with a TP of INR950 (based on 50x Mar'28E EPS).**

In-line performance; volume growth at 9%

- **Strong revenue growth trajectory continues**: Consolidated net sales grew 22% YoY to INR33.3b (est: INR33.3b) in 4QFY26. Domestic sales rose 21% YoY, while domestic volumes grew 9% YoY (est. 9%). The international business delivered 19% CC growth (25% in INR terms), led by Bangladesh/ Vietnam/South Africa, which posted 35%/18%/8% CC growth in 4Q. However, MENA declined 7% in CC as the ongoing geopolitical headwinds weighed on the business in Mar'26.

Naveen Trivedi – Research Analyst (Naveen.Trivedi@motilaloswal.com

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

- **Broad-based growth across categories**: Parachute Coconut Oil (PCNO) posted a 29% YoY value growth with a 1% volume decline, primarily driven by price hikes. Copra prices have corrected ~35% from the peak levels, and management expects it to remain rangebound in the near term. MRCO has already undertaken ~10% price cuts in non-price point packs following the correction in copra prices and expects volume recovery from 1QFY27. Value-added Hair Oils (VAHO) continued their growth recovery, with revenue rising 26%. Saffola oil clocked 8% revenue growth during the quarter, driven by mid-single-digit volume growth. MRCO will implement necessary pricing action to offset any cost escalations. The Foods portfolio grew 16% YoY and exited the year at INR10b+ in revenue. The digital-first portfolio clocked an exit ARR of ~INR11b.
- **Contraction in margins, reversal in FY27E:** Consol. gross margin contracted 360bp YoY to 44.9% (est. 44.1%), while improving 140bp QoQ owing to the recent correction in copra prices. Management indicated that copra prices have dropped ~35% from peak levels, and MRCO expects them to remain rangebound in the near term. Employee expenses were up 14% YoY, ad-spending rose 5% YoY, and other expenses were also up 18% YoY. EBITDA margin contracted 110bp YoY to 15.6% in 4QFY26 (est. 16%).
- **Double-digit growth in profitability:** EBITDA grew 14% YoY (est. 16%). PBT/PAT grew 14% YoY each to INR5b/INR3.9b/ (est. INR5b/INR3.9b).
- In FY26, net sales, EBITDA, and APAT grew 26%/9%/11%.

Highlights from the management commentary

- In PCNO, management expects visible recovery in volume growth from 1QFY27. The company has already undertaken ~10% price cuts in non-price point packs following a correction in copra prices.
- Copra price correction is expected to support margins in FY27. Weighted average input cost inflation for FY27 is currently expected to remain marginal.
- **Gross margin is likely to expand 350-400bp in FY27, supported by easing copra costs. Part of the gross margin benefit is expected to be reinvested in A&P.**
- **Management expects ~150bps operating margin expansion in FY27, considering the uncertain operating environment.**
- The VAHO portfolio is expected to sustain double-digit volume-led growth going ahead.
- The Middle East exposure remains relatively limited for the company, reducing overall business risk from the region.
- Premiumization is gaining traction in International business, with premium categories rising from ~20% to ~30% over FY20-FY26 and projected to reach ~40% by FY30, supporting a structurally stronger and more balanced growth profile.

Valuation and view

- We largely maintain our EPS estimates for FY27 and FY28.
- MRCO plans to surpass INR150b in revenue in FY27 and INR200b by FY30. The company aims to deliver a double-digit revenue CAGR over FY26-30, backed by strong volume growth and international business growth in the teens (CC) with mid-teens EBITDA CAGR.
- Diversification is steadily improving the resilience of the international portfolio, with Bangladesh’s revenue share declining from ~50% in FY20 to ~45% in FY26 and expected to reduce further to ~35% by FY30.

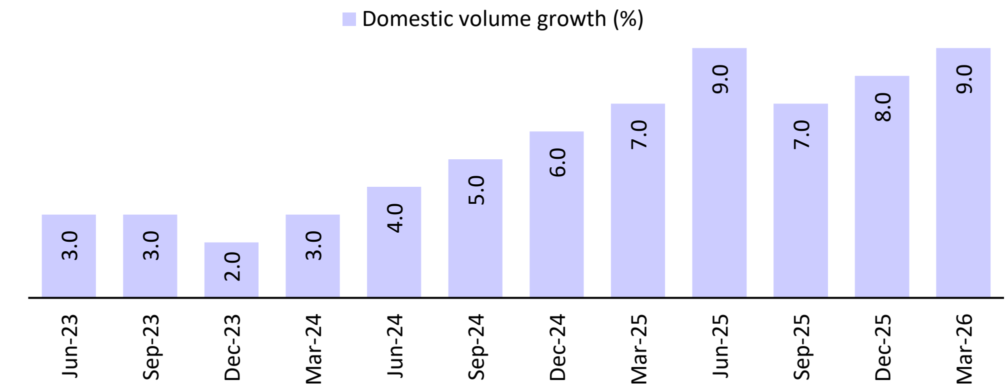
- To improve its domestic distribution reach, MRCO has also started Project SETU, which helps drive growth in GT through a transformative expansion of its direct reach.
- In line with its aspiration, we model a 12% revenue and 19% EBITDA CAGR over FY26-28E. Given its sustained growth trajectory, diversifying revenue streams, and strong focus on TAM expansion, we believe the stock's premium valuation is likely to be sustained. MRCO remains one of our topics in our coverage universe. **We reiterate our BUY rating on the stock with a TP of INR950 (based on 50x Mar'28E EPS).**

Quarterly Performance **(INR m)**

Y/E March	FY25				FY26				FY25	FY26	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	(%)
Domestic volume growth (%)	4.0	5.0	6.0	7.0	9.0	7.0	8.0	9.0	5.5	8.3	9.1	
Net Sales	**26,430**	**26,640**	**27,940**	**27,300**	**32,590**	**34,820**	**35,370**	**33,330**	**1,08,310**	**1,36,110**	**33,278**	**0.2%**
YoY Change (%)	6.7	7.6	15.4	19.8	23.3	30.7	26.6	22.1	12.2	25.7	21.9	
Gross Profit	**13,810**	**13,530**	**13,830**	**13,260**	**15,290**	**14,850**	**15,400**	**14,980**	**54,430**	**60,520**	**14,666**	**2.1%**
Gross margin (%)	52.3	50.8	49.5	48.6	46.9	42.6	43.5	44.9	50.3	44.5	44.1	
EBITDA	**6,260**	**5,220**	**5,330**	**4,580**	**6,550**	**5,600**	**5,980**	**5,210**	**21,390**	**23,340**	**5,310**	**-1.9%**
Margins (%)	23.7	19.6	19.1	16.8	20.1	16.1	16.9	15.6	19.7	17.1	16.0	
YoY Change (%)	9.1	5.0	3.9	3.6	4.6	7.3	12.2	13.8	5.6	9.1	15.9	
Depreciation	410	410	440	520	450	470	500	600	1,780	2,020	609	
Interest	170	110	130	120	100	120	140	170	530	530	117	
Other Income	370	400	420	470	560	490	390	600	1,660	2,040	439	
PBT	**6,050**	**5,100**	**5,180**	**4,410**	**6,560**	**5,500**	**5,730**	**5,040**	**20,740**	**22,830**	**5,024**	**0.3%**
Tax	1,310	1,190	1,120	960	1,430	1,180	1,070	960	4,580	4,640	1,080	
Rate (%)	21.7	23.3	21.6	21.8	21.8	21.5	18.7	19.0	22.1	20.3	21.5	
Adjusted PAT	**4,640**	**3,915**	**3,990**	**3,430**	**5,040**	**4,200**	**4,515**	**3,910**	**15,975**	**17,665**	**3,907**	**0.1%**
YoY Change (%)	8.7	10.9	4.2	7.9	8.6	7.3	13.2	14.0	7.9	10.6	13.9	
Reported PAT	**4,640**	**4,230**	**3,990**	**3,430**	**5,040**	**4,200**	**4,470**	**3,910**	**16,290**	**17,620**	**3,907**	

E: MOFSL Estimates

Exhibit 1: Domestic volume grew 9% YoY in 4QFY26



Source: Company

Exhibit 2: Consolidated segmental details

Particulars	1QFY25	2QFY25	3QFY25	4QFY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26
Sales growth (%)								
Domestic	7.4	8.0	17.2	23.1	27.2	34.8	27.6	21.1
International	4.8	6.4	10.2	10.7	12.2	19.0	23.5	25.1
Total	**6.7**	**7.6**	**15.4**	**19.8**	**23.3**	**30.7**	**26.6**	**22.1**
EBIT margin (%)								
Domestic EBIT margin	22.6	19.8	18.7	15.6	18.8	14.9	16.0	14.6
International EBIT margin	28.9	25.5	26.0	24.0	27.9	23.9	24.1	24.0
Total	**24.3**	**21.3**	**20.5**	**17.6**	**20.9**	**17.0**	**17.9**	**17.0**

Source: Company, MOFSL

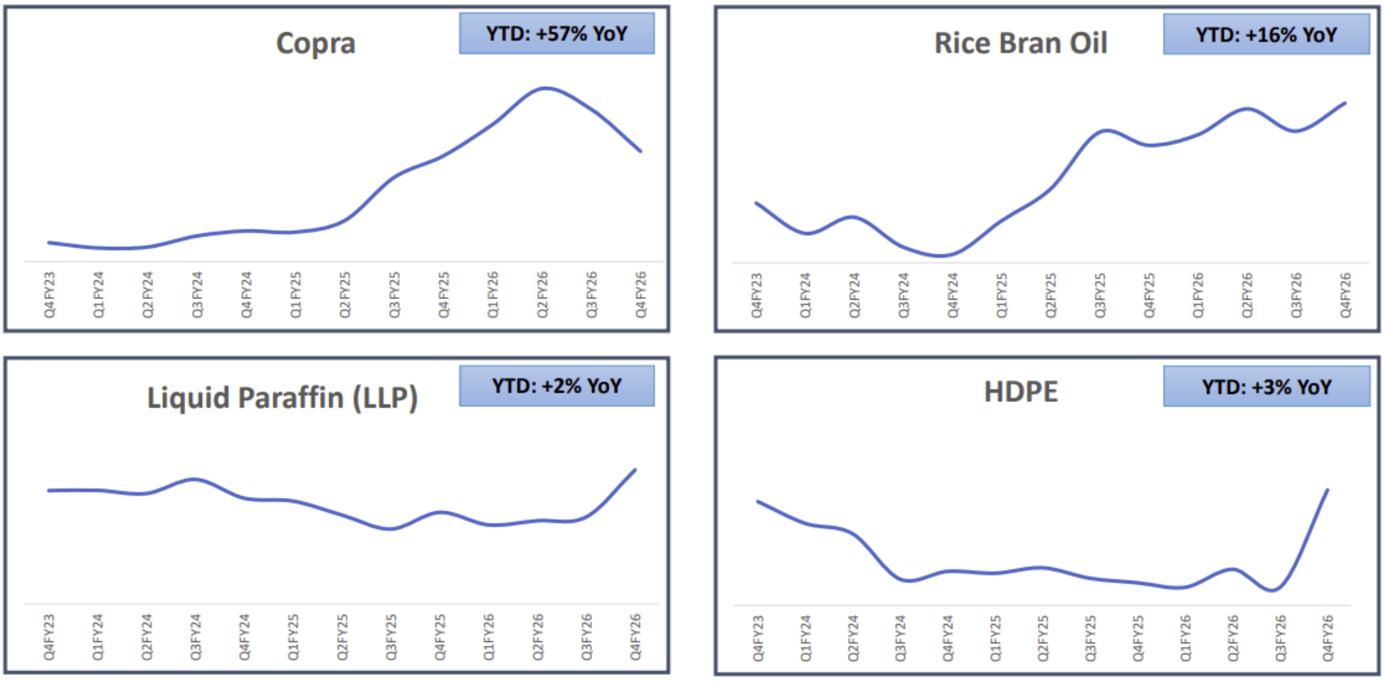
Exhibit 3: Market share of key categories in the Indian business

Franchise	~MS%	Rank
^ Parachute Rigids within Coconut Oil	57%	1st
* Saffola Oats	42%	1st
* Value Added Hair Oils	29%	1st
^ Post wash Leave-on Serums	45%	1st
^ Hair Gels/Waxes/Creams	51%	1st

^ Volume market share, *Value market share

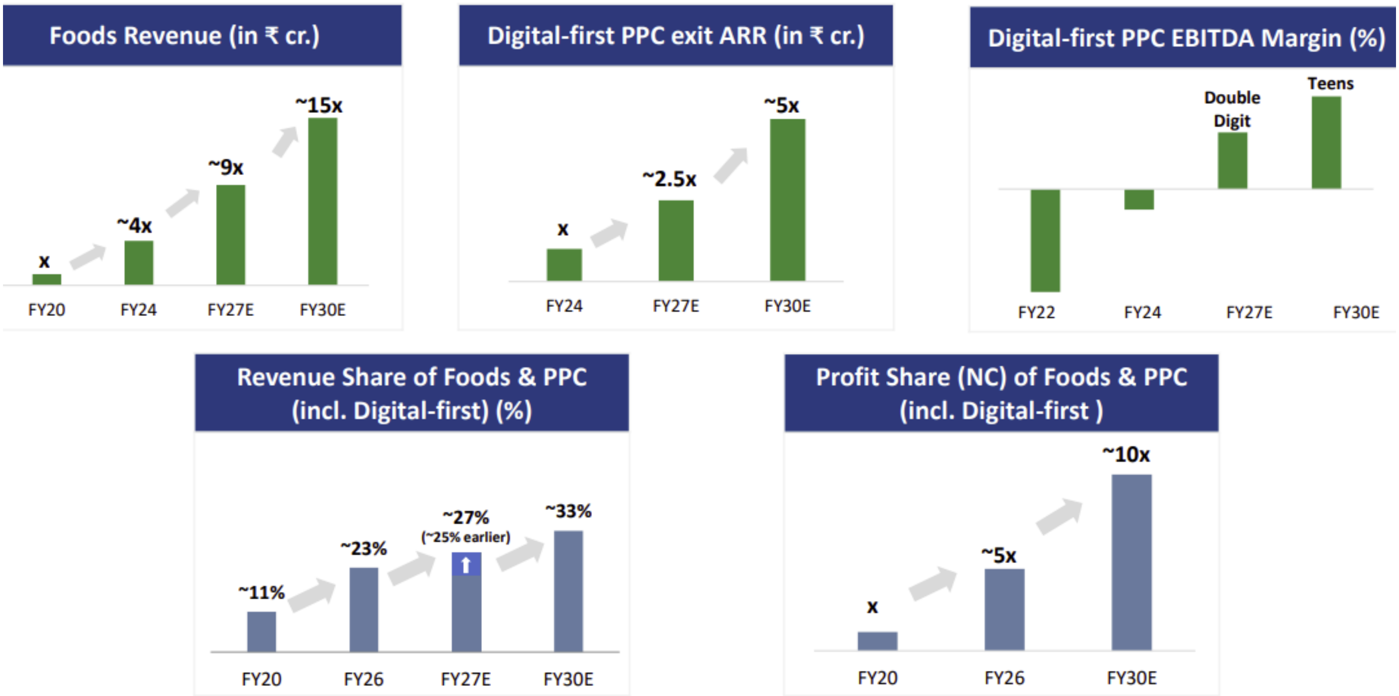
Source: Company

Exhibit 4: Movements of key raw material prices



Source: Company

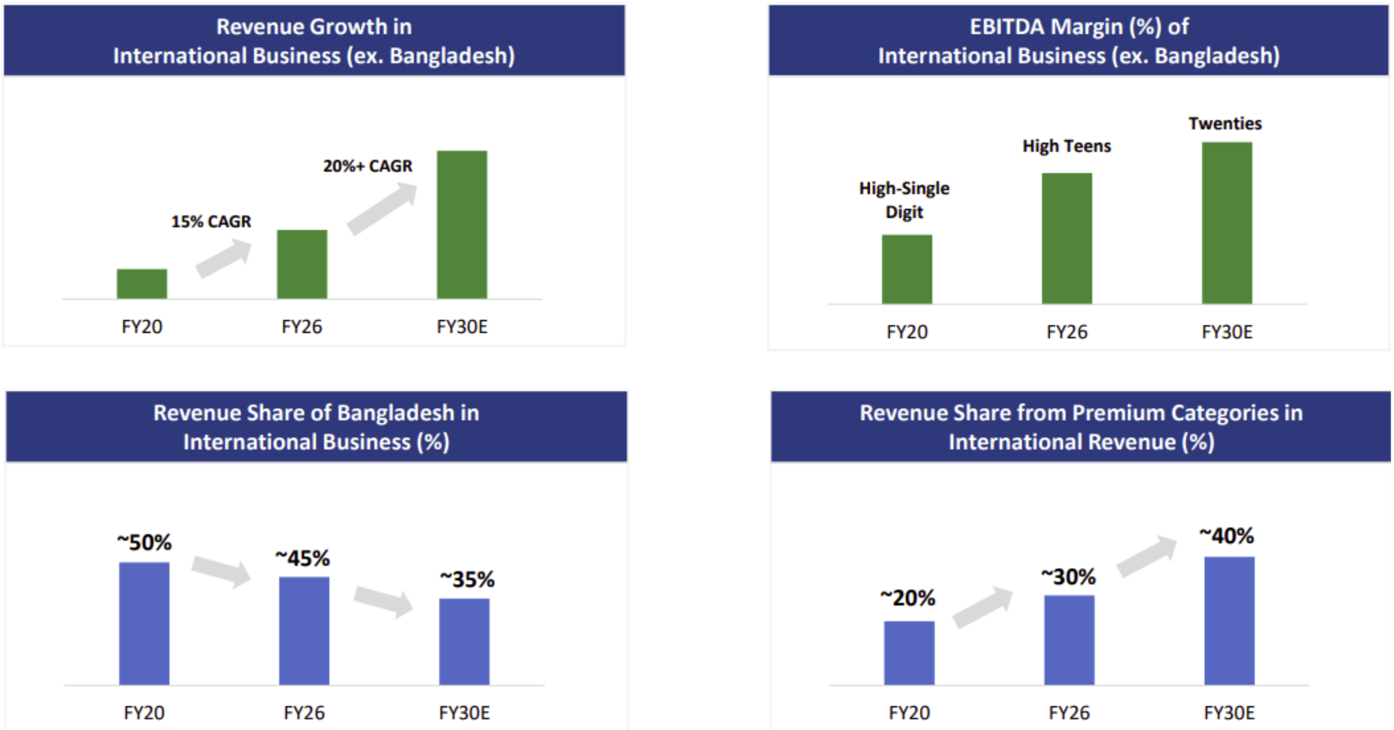
Exhibit 5: MRCO to focus on profitable scale-up of high-growth businesses



**Profit refers to Net Contribution (NC) calculated as Net Revenues less all variable costs and marketing expenses. Also, equivalent to CM3.*

Source: Company

Exhibit 6: Revenue salience of Bangladesh business to come down from ~45% in FY26 to ~35% by FY30



**Premium Categories – Beauty & Personal Care incl. Hair Cleansing, Hair Styling/ Care (ex-Hair oils), Skin Care and Baby Care*

Source: Company

CONFERENCE CALL

Key highlights from the management commentary

Business environment and outlook

- Demand sentiment was broadly stable during the quarter, supported by benign inflation, improving rural sentiment, and improved affordability following the recent GST rate rationalisation.
- The company offtake remained strong, with over 95% of the business gaining or sustaining market share and more than 90% gaining or sustaining penetration on a MAT basis, reflecting healthy consumer traction.
- E-commerce and Quick Commerce continued to lead overall growth. Traditional trade witnessed improved traction, driven by sustained investments and focused initiatives to revive the channel.
- Project SETU investments have significantly improved direct distribution reach and GT execution capabilities.
- Management believes GT continues to remain a key competitive advantage despite the rising importance of organized retail and e-commerce.
- Management highlighted that smaller players are facing supply-side and working capital constraints amid inflation in packaging materials, polymers, and logistics costs, limiting their ability to build inventory and manage disruptions effectively.
- The company believes its stronger procurement, inventory planning, and supply chain capabilities provide a competitive advantage, which could support market share gains in the near term as competitive intensity from smaller players remains subdued.
- Middle East exposure remains relatively limited for the company, reducing overall business risk from the region.
- Management guid**ed for ~20% consolidated effective tax rate for FY27.**

Near-term outlook

- **The India business is likely to sustain high single-digit volume growth in FY27.**
- International business is likely to maintain healthy momentum with mid-teen constant currency growth, aided by broad-based performance across geographies.
- **Company targets double-digit consolidated revenue growth in FY27, with revenue expected to cross INR150b.**
- **Management guided for high-teen EBITDA growth in FY27.**

Material costs, margin, and guidance

- Copra prices corrected ~35% from peak levels and are expected to remain rangebound in the near term.
- Vegetable oils and other crude-linked inputs continue to witness inflationary pressure amid geopolitical developments in the Middle East.
- The company would take calibrated pricing actions to mitigate input cost pressures.
- The company has a limited impact of geopolitical volatility in the Middle East due to strategic inventory and sourcing measures across raw materials, packaging, and finished goods.

- Supply chain operations remain stable, and management does not foresee any material disruption at present.
- 55% of core advertising spend is now directed towards digital media.
- Copra price correction is expected to support margins in FY27. Weighted average input cost inflation for FY27 is currently expected to remain marginal.
- **Gross margin is likely to expand 350-400bp in FY27, supported by easing copra costs. Part of the gross margin benefit is expected to be reinvested in A&P.**
- **Management expects ~150bps operating margin expansion in FY27, considering the uncertain operating environment.**

Segmental performance

Parachute coconut oil

- Parachute reported volumes declined 1% YoY; however, underlying volumes, adjusted for ml-age reductions, grew in low single-digits, indicating stable consumer demand despite pricing actions.
- Revenue grew 29% YoY, led by pricing, though growth moderated as the company took selective price cuts to pass on the benefit of easing copra prices to consumers.
- Copra prices have corrected ~35% from peak levels and are expected to remain rangebound in the near term.
- Management expects a visible recovery in volume growth from 1QFY27 onwards.
- The company has already undertaken ~10% price cuts in non-price point packs following a correction in copra prices.
- Management currently expects copra prices to remain rangebound and does not foresee an immediate need for further major pricing actions.
- Competitive intensity from smaller players remains lower compared to previous deflationary cycles due to supply chain and cost pressures.
- Management highlighted that despite a 120-130% surge in copra prices last year, the company had undertaken only ~60% price hikes, helping maintain competitive positioning.

Saffola oil

- Saffola Edible Oils posted 8% revenue growth during the quarter, driven by mid-single digit volume growth.
- The brand continues to shift its portfolio towards premium offerings within the portfolio.
- The company remains focused on calibrated pricing actions to offset input cost inflation.
- Premiumization remains a key focus area, led by Saffola Gold, Total, and the cold-pressed oil portfolio.
- Management indicated willingness to maintain low-to-mid single-digit volume growth while protecting margins.

VAHO

- Value-Added Hair Oils reported a strong 26% value growth, led by >20% volume growth during the quarter.
- The portfolio gained ~100bps in value market share on a MAT basis, reflecting healthy competitive positioning.
- Growth was supported by continued traction in the mid and premium segments.
- Non-Shanti Amla portfolio continued to outperform with healthy double-digit volume CAGR over the last two years.
- The company has already taken ~6-7% price hikes in the category to offset inflation in crude derivatives.
- The VAHO portfolio is expected to sustain double-digit volume-led growth going ahead.
- Growth is expected to be supported by an innovation pipeline, GST-led affordability benefits, and distribution expansion under Project SETU.

Foods

- Food's portfolio registered 16% YoY growth and exited the year at >INR10bn in revenues.
- The growth was impacted by a high base in True Elements and SKU rationalization of low gross contribution products to improve profitability.
- The core Saffola foods portfolio delivered double-digit growth as Saffola Oats continued to retain its leadership position as the #1 Oats brand.
- During the quarter, the company further strengthened the portfolio through the acquisition of Cosmix, a leading digital-first functional wellness brand, and 4700BC, a premium gourmet snacking brand.
- **Management expects the Foods portfolio to sustain ~20% growth trajectory going forward.**

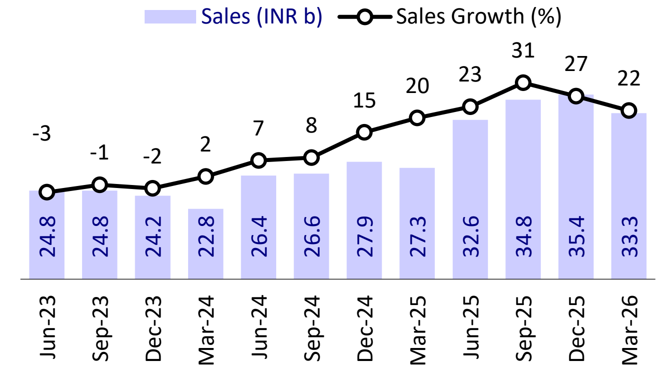
Premium Personal Care

- Premium Personal Care, including the digital-first portfolio, sustained strong growth momentum.
- The combined portfolio across Premium Hair Nourishment, Male Grooming, and Skin Care is expected to exit FY26 at an ARR of INR3.5bn, while the digital-first portfolio is projected to reach INR11bn ARR.
- The company has recently launched Parachute Advanced Protein Shampoo.
- The India revenue share of Foods and Premium Personal Care stood at ~23% in FY26 and is expected to increase to ~27% by FY27 (vs earlier guidance of ~25%) and further to ~33% by FY30.
- Profit contribution from these portfolios increased to ~5x of FY20 levels in FY26 and is expected to reach ~10x by FY30.
- Digital-first portfolio is expected to achieve double-digit EBITDA margins by the end of FY27, with margins likely to expand to the teens by FY30.
- Plix is currently operating at mid-to-high single-digit margins, with management targeting double-digit margins in the near term.
- In Plix, hair and skin nutrition products are becoming the core focus areas within the brand.
- D2C channel contributes ~45% of Plix revenues, enabling strong consumer ownership and cross-selling opportunities.

International business

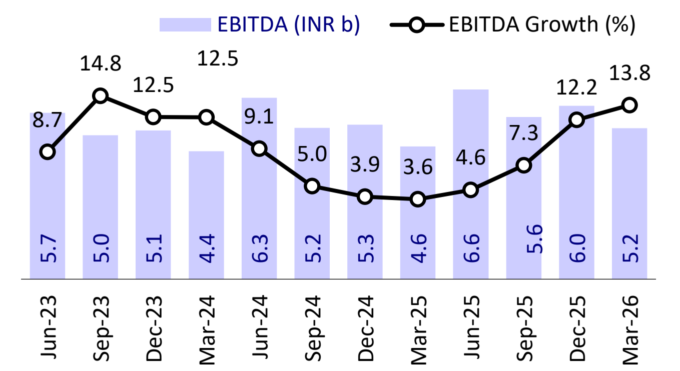
- The international business delivered 19% constant currency growth. It delivered mixed performance across regions.
- Bangladesh reported strong 35% CCG growth, supported by healthy performance in the core portfolio and rapid scale-up of new franchises.
- Management maintained guidance of double-digit growth over the medium term in Bangladesh.
- Vietnam maintained double-digit growth momentum with 18% CCG growth during the quarter.
- MENA business declined 7% due to temporary supply chain disruptions in the Gulf region amid ongoing geopolitical developments.
- Egypt continued to perform well with high-teens growth during the quarter.
- South Africa delivered 8% CC growth, led by strong traction in the Hair Care segment.
- NCD and Exports business registered a robust 46% growth during the quarter.
- Expansion into beauty and personal care categories across international markets is expected to support growth and margins.

Exhibit 7: Consolidated sales grew 22% YoY to INR33.3b



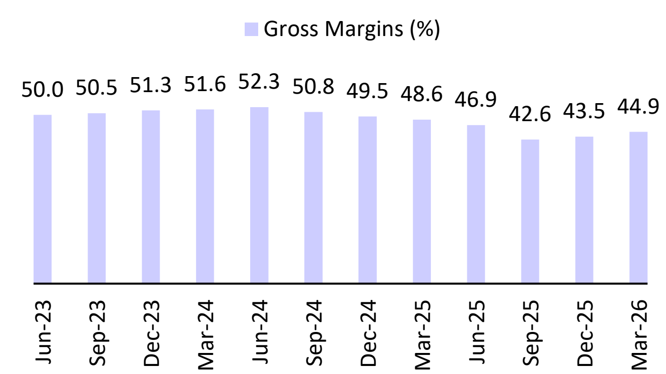
Source: Company, MOFSL

Exhibit 8: EBITDA grew 13.8% YoY to INR5.2b



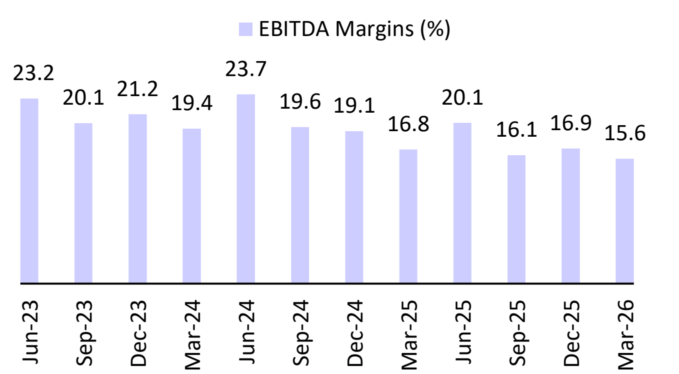
Source: Company, MOFSL

Exhibit 9: GP margin contracted 360bp YoY to 44.9%



Source: Company, MOFSL

Exhibit 10: EBITDA margin contracted 110bp YoY to 15.6%



Source: Company, MOFSL

Valuation and view

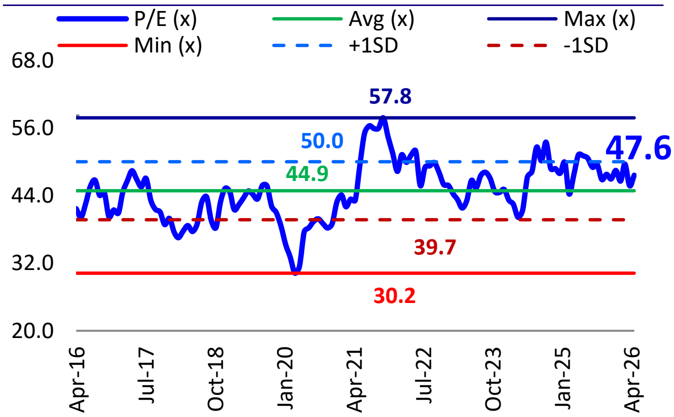
- We largely maintain our EPS estimates for FY27 and FY28.
- MRCO plans to surpass INR150b in revenue in FY27 and INR200b by FY30. The company aims to deliver a double-digit revenue CAGR over FY26-30, backed by strong volume growth and international business growth in the teens (CC) with mid-teens EBITDA CAGR.
- Diversification is steadily improving the resilience of the international portfolio, with Bangladesh's revenue share declining from ~50% in FY20 to ~45% in FY26 and expected to reduce further to ~35% by FY30.
- To improve its domestic distribution reach, MRCO has also started Project SETU, which helps drive growth in GT through a transformative expansion of its direct reach.
- In line with its aspiration, we model a 12% revenue and 19% EBITDA CAGR over FY26-28E. Given its sustained growth trajectory, diversifying revenue streams, and strong focus on TAM expansion, we believe the stock's premium valuation is likely to be sustained. MRCO remains one of our topics in our coverage universe. **We reiterate our BUY rating on the stock with a TP of INR950 (based on 50x Mar'28E EPS).**

Exhibit 11: We largely maintain our EPS estimates for FY27 and FY28

	Old		New		Change	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Sales	1,54,357	1,70,292	1,52,381	1,69,144	-1.3	-0.7
EBITDA	28,991	32,604	28,522	32,959	-1.6	1.1
PAT	20,760	23,339	20,693	23,775	-0.3	1.9

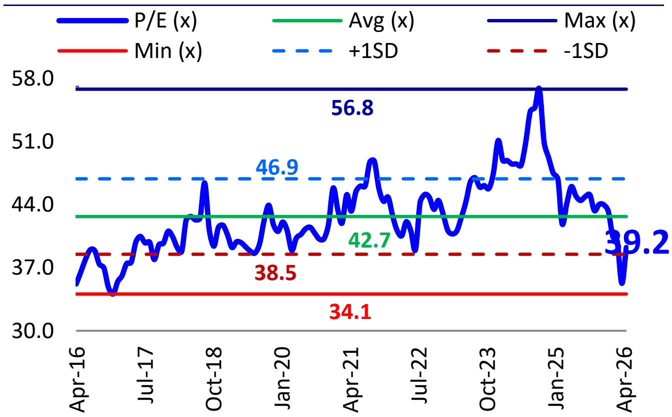
Source: Company, MOFSL

Exhibit 12: MRCO's P/E (x)



Source: Company, MOFSL

Exhibit 13: Consumer sector's P/E (x)



Source: Company, MOFSL

Financials and valuations

Income Statement									(INR m)
Y/E March	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027E**	**2028E**
Net Sales	**73,150**	**80,480**	**94,266**	**97,640**	**96,530**	**1,08,310**	**1,36,110**	**1,52,381**	**1,69,144**
Change (%)	-0.3	10.0	17.1	3.6	-1.1	12.2	25.7	12.0	11.0
COGS	37,450	42,740	54,360	53,510	47,480	53,880	75,590	80,000	87,955
Gross Profit	**35,700**	**37,740**	**39,906**	**44,130**	**49,050**	**54,430**	**60,520**	**72,381**	**81,189**
Margin (%)	48.8	46.9	42.3	45.2	50.8	50.3	44.5	47.5	48.0
Operating Expenses	21,010	21,860	23,096	26,030	28,790	33,040	37,180	43,859	48,230
EBITDA	**14,690**	**15,880**	**16,810**	**18,100**	**20,260**	**21,390**	**23,340**	**28,522**	**32,959**
Change (%)	10.8	8.1	5.9	7.7	11.9	5.6	9.1	22.2	15.6
Margin (%)	20.1	19.7	17.8	18.5	21.0	19.7	17.1	18.7	19.5
Depreciation	1,400	1,390	1,390	1,550	1,580	1,780	2,020	2,349	2,488
Int. and Fin. Charges	500	340	390	560	730	530	530	557	584
Other Income - Recurring	1,240	1,131	958	1,440	1,420	1,660	2,040	2,216	2,365
Profit before Taxes	**14,030**	**15,281**	**15,988**	**17,430**	**19,370**	**20,740**	**22,830**	**27,832**	**32,251**
Change (%)	11.6	8.9	4.6	9.0	11.1	7.1	10.1	21.9	15.9
Margin (%)	19.2	19.0	17.0	17.9	20.1	19.1	16.8	18.3	19.1
Current Tax (excl MAT Ent)	3,470	3,240	3,460	4,210	4,350	4,580	4,640	6,680	8,063
Deferred Tax	-160	0	0	0	0	0	0	0	0
Tax Rate (%)	23.6	21.2	21.6	24.2	22.5	22.1	20.3	24.0	25.0
Minority Interest	-220	-310	-290	-200	-210	-290	-510	-459	-413
Profit after Taxes	**10,500**	**11,731**	**12,238**	**13,020**	**14,810**	**15,975**	**17,665**	**20,693**	**23,775**
Change (%)	-5.9	11.7	4.3	6.4	13.7	7.9	10.6	17.1	14.9
Margin (%)	14.4	14.6	13.0	13.3	15.3	14.7	13.0	13.6	14.1
Extraordinary items	-154	231	-22	0	0	315	-45	0	0
Reported PAT	**10,346**	**11,962**	**12,216**	**13,020**	**14,810**	**16,290**	**17,620**	**20,693**	**23,775**

Balance Sheet									(INR m)
Y/E March	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027E**	**2028E**
Share Capital	1,290	1,290	1,290	1,290	1,290	1,290	1,300	1,300	1,300
Reserves	28,940	31,110	31,890	36,700	37,030	38,460	40,800	43,943	48,869
Net Worth	**30,230**	**32,400**	**33,180**	**37,990**	**38,320**	**39,750**	**42,100**	**45,243**	**50,169**
Minority Interest	130	180	570	1,570	3,370	2,910	2,840	3,299	3,712
Loans	3,350	3,480	3,450	4,750	3,830	3,790	3,550	2,850	2,650
Capital Employed	**33,710**	**36,060**	**37,200**	**44,310**	**45,520**	**46,450**	**48,490**	**51,392**	**56,531**
Gross Fixed Assets	12,650	15,450	17,910	22,240	28,590	30,770	41,540	43,540	45,540
Less: Accum. Depn.	-4,070	-5,460	-6,850	-8,400	-9,980	-11,760	-13,780	-16,129	-18,617
Net Fixed Assets	**8,580**	**9,990**	**11,060**	**13,840**	**18,610**	**19,010**	**27,760**	**27,411**	**26,923**
Capital WIP	580	240	390	670	440	400	850	850	850
Goodwill	5,380	6,130	6,540	8,620	8,630	8,570	8,570	8,570	8,570
Investments	**7,330**	**8,540**	**8,280**	**10,960**	**6,020**	**15,900**	**20,830**	**20,830**	**20,830**
Current	6,280	6,280	6,410	5,780	2,590	13,750	19,480	19,480	19,480
Non-current	1,050	2,260	1,870	5,180	3,430	2,150	1,350	1,350	1,350
Deferred Charges	0	0	0	0	0	0	0	0	0
Curr. Assets, L&A	**26,560**	**28,340**	**29,420**	**33,910**	**39,830**	**38,930**	**41,490**	**27,872**	**37,064**
Inventory	13,800	11,280	14,009	12,250	13,360	12,350	16,110	19,455	21,536
Account Receivables	5,390	3,880	6,520	10,150	10,690	12,710	13,040	9,600	10,656
Cash and Bank Balance	2,790	9,250	5,391	7,560	9,430	7,770	4,930	-9,200	-3,771
Others	4,580	3,930	3,500	3,950	6,350	6,100	7,410	8,017	8,643
Curr. Liab. and Prov.	**16,250**	**18,200**	**19,270**	**23,370**	**25,900**	**34,450**	**48,520**	**31,651**	**35,215**
Current Liabilities	4,240	5,190	4,430	7,260	8,780	19,090	30,500	33,550	36,905
Accounts Payable	9,780	11,340	13,440	14,520	15,810	13,630	16,340	-3,836	-3,922
Provisions	2,230	1,670	1,400	1,590	1,310	1,730	1,680	1,937	2,232
Net Current Assets	**10,310**	**10,140**	**10,150**	**10,540**	**13,930**	**4,480**	**-7,030**	**-3,779**	**1,848**
Deferred Tax Liability	1,530	1,020	780	-320	-2,110	-1,910	-2,490	-2,490	-2,490
Application of Funds	**33,710**	**36,060**	**37,200**	**44,310**	**45,520**	**46,450**	**48,490**	**51,392**	**56,531**

E: MOFSL Estimates

Financials and valuations

Ratios									
Y/E March	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027E**	**2028E**
Basic (INR)									
EPS	**8.1**	**9.1**	**9.5**	**10.1**	**11.5**	**12.4**	**13.6**	**15.9**	**18.3**
Cash EPS	9.1	10.1	10.6	11.3	12.7	13.8	15.1	17.7	20.2
BV/Share	23.4	25.1	25.7	29.4	29.7	30.8	32.4	34.8	38.6
DPS	6.8	7.5	9.3	9.5	10.5	11.5	12.5	13.5	14.5
Payout %	84.2	80.9	97.7	94.1	91.5	91.1	92.2	84.8	79.3
Valuation (x)									
P/E	99.1	88.7	85.1	80.0	70.3	65.2	59.4	50.7	44.1
Cash P/E	88.5	80.0	76.3	71.5	63.5	58.6	53.3	45.5	39.9
EV/Sales	14.1	12.8	10.9	10.5	10.7	9.4	7.5	6.8	6.1
EV/EBITDA	70.4	64.7	61.3	56.8	50.8	47.7	44.0	36.5	31.4
P/BV	34.4	32.1	31.4	27.4	27.2	26.2	24.9	23.2	20.9
Dividend Yield (%)	0.8	0.9	1.1	1.2	1.3	1.4	1.5	1.7	1.8
Return Ratios (%)									
RoE	35.0	37.5	37.3	36.6	38.8	40.9	43.2	47.4	49.8
RoCE	33.1	35.3	35.0	33.5	34.7	36.0	39.2	43.2	45.6
RoIC	44.2	55.6	58.7	52.0	52.9	58.8	76.8	65.4	58.9
Working Capital Ratios									
Debtor (Days)	27	18	25	38	40	43	35	23	23
Asset Turnover (x)	2.2	2.2	2.5	2.2	2.1	2.3	2.8	3.0	3.0
Leverage Ratio									
Debt/Equity (x)	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	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027E**	**2028E**
OP/(loss) before Tax	13,740	15,401	15,988	17,430	19,370	21,160	22,770	27,832	32,251
Others	-100	-231	22	-580	-1,000	-1,300	-1,220	0	0
Depreciation	1,500	1,390	1,390	1,550	1,580	1,780	2,020	2,349	2,488
Interest Paid	-220	340	390	70	-40	-240	390	557	584
Direct Taxes Paid	-2,900	-3,240	-3,460	-3,690	-3,780	-4,840	-5,650	-6,680	-8,063
(Incr)/Decr in WC	330	7,230	-3,728	-590	-2,260	-2,930	2,530	-17,615	-468
CF from Operations	**12,350**	**20,890**	**10,602**	**14,190**	**13,870**	**13,630**	**20,840**	**6,443**	**26,794**
(Incr)/Decr in FA	-1,860	-3,210	-3,020	-1,570	-1,350	-1,220	-7,640	-2,000	-2,000
Free Cash Flow	**10,490**	**17,680**	**7,582**	**12,620**	**12,520**	**12,410**	**13,200**	**4,443**	**24,794**
(Pur)/Sale of Investments	-1,890	0	-130	-7,560	2,450	-5,690	180	0	0
Others	130	-1,380	870	2,709	2,320	-1,890	-3,430	-5	-5
CF from Invest.	**-3,620**	**-4,590**	**-2,280**	**-6,421**	**3,420**	**-8,800**	**-10,890**	**-2,005**	**-2,005**
Issue of Shares	0	225	453	90	340	460	1,540	0	0
(Incr)/Decr in Debt	-690	130	-30	1,280	-910	-50	-240	-700	-200
Dividend Paid	-10,250	-9,675	-11,933	-6,070	-12,290	-4,530	-9,080	-17,550	-18,850
Others	-520	-520	-670	-900	-2,560	-2,370	-5,010	-318	-310
CF from Fin. Activity	**-11,460**	**-9,840**	**-12,180**	**-5,600**	**-15,420**	**-6,490**	**-12,790**	**-18,568**	**-19,360**
Incr/Decr of Cash	**-2,730**	**6,460**	**-3,858**	**2,169**	**1,870**	**-1,660**	**-2,840**	**-14,130**	**5,429**
Add: Opening Balance	5,520	2,790	9,250	5,391	7,560	9,430	7,770	4,930	-9,200
Closing Balance	**2,790**	**9,250**	**5,391**	**7,560**	**9,430**	**7,770**	**4,930**	**-9,200**	**-3,771**

E: MOFSL Estimates

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SELL	< - 10%
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UNDER REVIEW	Rating may undergo a change
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Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
Contact: (+65) 8328 0276

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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

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.

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