4 August 2026
Analyst Meet Update | Sector: Consumer

Nestlé India

BSE SENSEX	S&P CNX
78,429	24,615

CMP: INR1,520 **TP: INR1,525** **Neutral**

Growth priorities continue; near-term consumption challenges

Nestlé India (NEST) hosted its Analyst Meet 2026, outlining its growth journey and the key focus areas going forward. Management reiterated that the company is well positioned to capitalize on India's structural growth opportunities by remaining consumer-centric in a rapidly evolving marketplace. Growth will be driven by a dual engine of core category expansion and premiumization. Management has laid out five strategic pillars going forward: 1) Growth through penetration-led volumes and premiumization; 2) Cost efficiency through value chain optimization; 3) Continued investments in brands and capacity expansion; 4) Digital acceleration across sales and operations; and 5) Profitability backed by disciplined margins and cash generation.

- NEST remains constructive on India's long-term growth opportunity, supported by a rapidly expanding affluent consumer base and low packaged food penetration. Management highlighted that Elite households are expected to increase from 18m in 2025 to 40m by 2034, while Affluent households are projected to rise from 47m to 83m over the same period. The overall household base is expected to expand from 330m to 407m, with Elite + Affluent households accounting for 30.1% of consumer spending by 2034 (vs. 19.6% in 2025), reinforcing a multi-year runway for both penetration-led growth and premiumization.
- The company continues to execute its long-term growth strategy, which is centered on penetration, premiumization, productivity, digitalization, and sustained investments in brands and capacity. Premium products now contribute 14% of sales (vs. 11% in 2021) and are growing faster than the overall portfolio. E-commerce continues to scale rapidly, contributing 8.5% of domestic sales, while the company has expanded its retail reach to 6.2m outlets and rural presence to 216,000 villages. NEST is also accelerating investments in AI-led planning, sales execution, and manufacturing.
- Management flagged that the near-term operating environment remains challenging despite improving business momentum. Consumption trends remain mixed, with rural demand continuing to outperform urban markets, while geopolitical uncertainty, commodity inflation, and supply chain disruptions remain the key monitorables. Volatility in energy, edible oil, packaging, and freight costs could keep input cost pressures elevated.
- Over the long term, NEST remains focused on expanding penetration to drive volume-led growth. We model revenue/EBITDA/APAT CAGR of 14%/17%/20% over FY26-28E. The stock is trading at 69x/61x FY27/FY28 EPS. **Given its expensive valuation, we reiterate our Neutral rating with a revised TP of INR1,525 (based on 60x P/E Mar'28E).**

Stock Info

Bloomberg	NEST IN
Equity Shares (m)	1928
M.Cap.(INRb)/(USDb)	2931 / 30.7
52-Week Range (INR)	1536 / 1083
1, 6, 12 Rel. Per (%)	3/21/34
12M Avg Val (INR M)	2116
Free float (%)	37.2

Financials Snapshot (INR b)

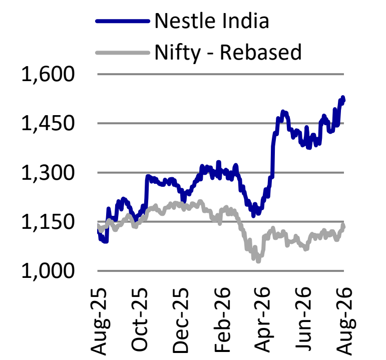
Y/E Dec	FY26	FY27E	FY28E
Sales	231.5	271.9	301.5
Sales Gr. (%)	14.6	17.4	10.9
EBITDA	53.7	66.1	73.4
Margin (%)	23.2	24.3	24.4
Adj. PAT	33.2	42.2	47.9
Adj. EPS (INR)	17.2	21.9	24.9
EPS Gr. (%)	8.1	27.3	13.5
BV/Sh.(INR)	27.5	33.0	39.2
Ratios			
RoE (%)	71.2	72.4	68.9
RoCE (%)	69.2	75.2	70.9
Payout (%)	69.8	75.0	75.0
Valuations			
P/E (x)	88.4	69.4	61.2
P/BV (x)	55.2	46.1	38.8
EV/EBITDA (x)	54.2	43.8	39.3
Div. Yield (%)	0.8	1.1	1.2

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	62.8	62.8	62.8
DII	11.9	12.4	11.2
FII	10.3	9.7	10.3
Others	15.0	15.1	15.8

FII Includes depository receipts

Stock Performance (1-year)



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Valuation view

- NEST has sustained its strong double-digit revenue growth momentum since 2QFY26, supported by continued investments in brands, distribution expansion, and capacity augmentation. In our view, 1HFY27 growth is expected to be further supported by calibrated price hikes, stable RM prices, and GST 2.0-led tailwinds.
- With the weak base gradually anniversaried, we believe the growth rate can start moderating (on double digit base) from 3QFY27 onwards. That said, general trade is expected to continue delivering strong double-digit growth with continued rural distribution expansion, while alternate channels are likely to maintain robust growth momentum. Moreover, commodity trends remain mixed, with persistent inflation in cocoa, sugar, and protein inputs offset by stable trends in coffee, edible oils, wheat, and milk.
- The combination of low category penetration, increasing premiumization, new consumption occasions, and sustained innovation provides NEST a long runway for growth across its core categories, despite its already large scale in the Indian market. We model revenue/EBITDA/APAT CAGR of 14%/17%/20% over FY26-28E. The stock is trading at 69x/61x FY27/FY28 EPS. Given its expensive valuation, we reiterate our Neutral rating with a revised TP of INR1,525 (based on 60x P/E Mar'28E).

Exhibit 1: NEST's segmental performance

Revenue (INR bn) - (Dom+Export)	CY19	CY20	CY21	CY22	FY24 (15m)	FY25	FY26
Milk and Nutrition	56.5	61.5	62.7	68.2	98.7	76.6	77.2
Prepared dishes & Cooking Aids	35.0	39.1	45.5	53.0	73.9	62.0	72.7
Beverages	15.0	14.8	16.9	20.2	30.2	28.9	36.4
Chocolates	16.4	17.5	21.2	26.5	39.9	33.3	44.4
Total	**123.0**	**132.9**	**146.3**	**167.9**	**242.8**	**200.8**	**230.7**
Revenue mix (%)							
Milk and Nutrition	46	46	43	41	41	38	33
Prepared dishes & Cooking Aids	28	29	31	32	30	31	32
Beverages	12	11	12	12	12	14	16
Chocolates	13	13	15	16	16	17	19
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**
Revenue Growth (%)							
Milk and Nutrition	9	9	2	9	16	0	1
Prepared dishes & Cooking Aids	13	12	16	16	12	8	17
Beverages	-1	-2	15	19	20	23	26
Chocolates	17	7	21	25	20	8	33
Total	**10**	**8**	**10**	**15**	**16**	**7**	**15**
Volume Growth (%)							
Milk and Nutrition	1	0	-3	0	0	-6	-2
Prepared dishes & Cooking Aids	10	7	16	6	2	2	12
Beverages	-2	-21	18	14	9	-1	18
Chocolates	16	3	11	12	10	1	26
Total	**7**	**3**	**11**	**6**	**3**	**0**	**11**
Price Growth (%)							
Milk and Nutrition	7	9	5	9	15	4	3
Prepared dishes & Cooking Aids	3	5	0	10	10	3	5
Beverages	1	25	-3	4	10	21	6
Chocolates	1	4	10	11	9	3	6
Total	**3**	**5**	**0**	**9**	**13**	**7**	**4**

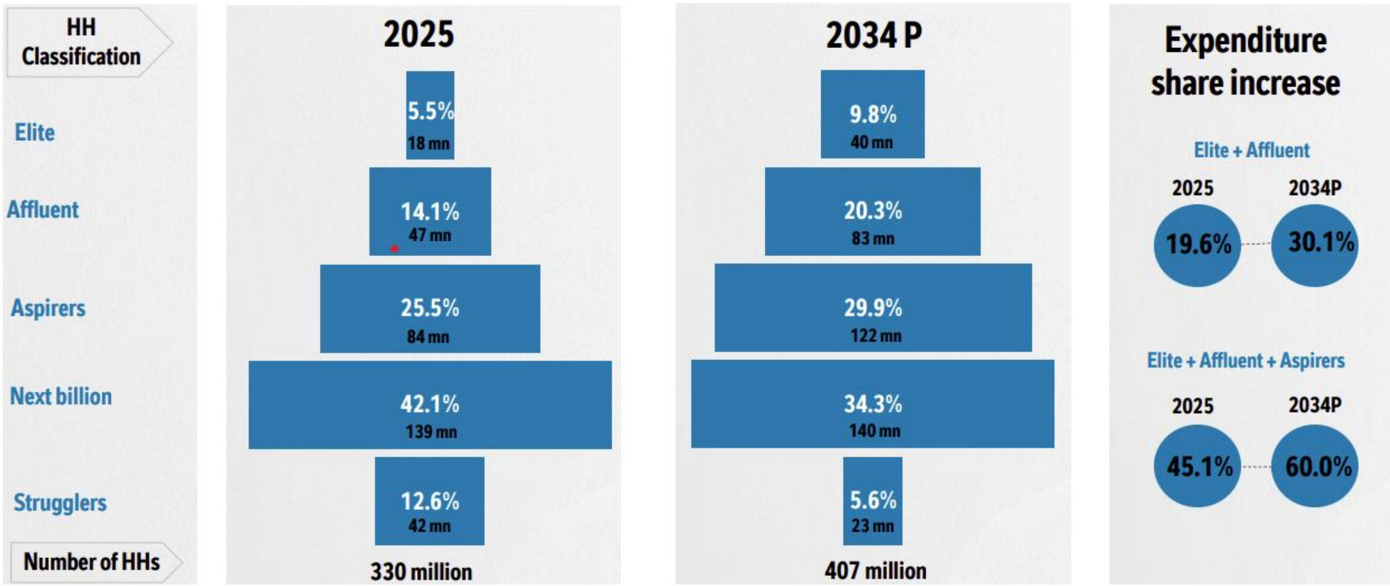
Source: Company, MOFSL

Highlights from the analyst meet

Business outlook and performance

- Management highlighted that Elite households have more than doubled from 18m (5.5% of households) in 2025 to 40m (9.8%) by 2034, while Affluent households rose from 47m (14.1%) to 83m (20.3%) over the same period.
- On an expenditure-share basis, Elite + Affluent households are projected to increase from 19.6% of spend in 2025 to 30.1% by 2034; including Aspirers, this is projected to rise from 45.1% to 60.0%. The overall household base itself expands from 330m to 407m over 2025-2034, underscoring both a volume and a premiumization opportunity for the company.

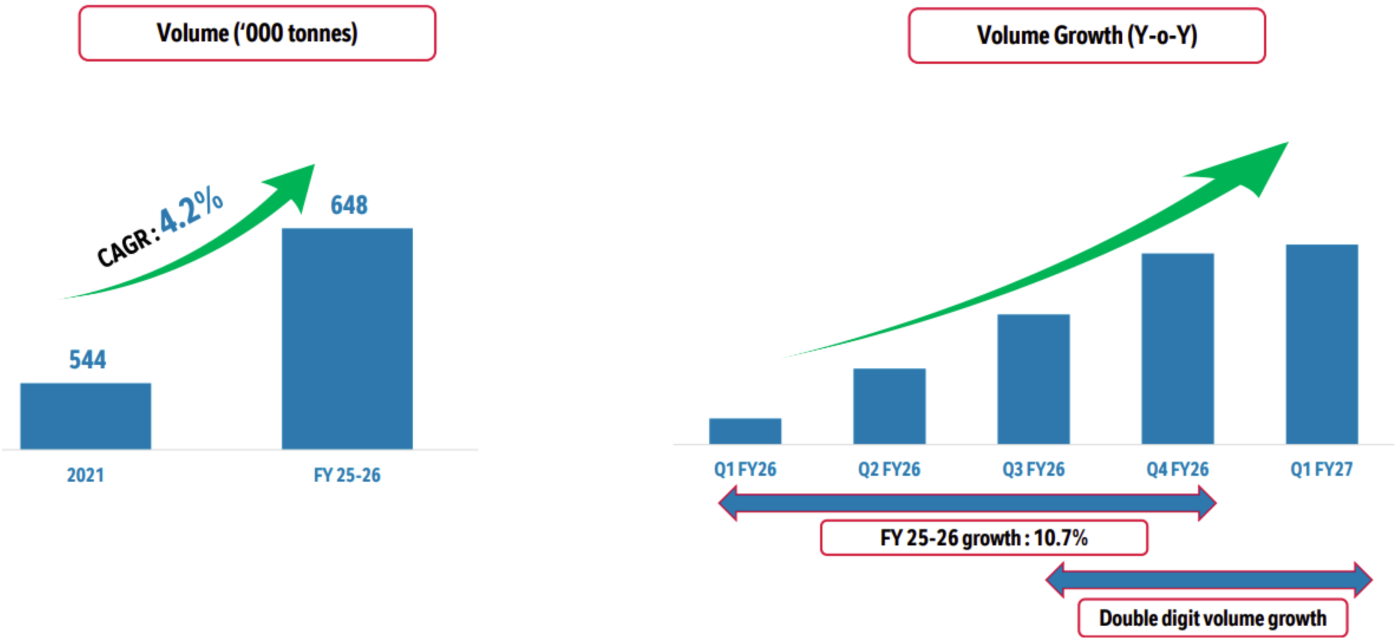
Exhibit 2: Expanding consumer base; opportunities across tiers



Source: Company, MOFSL

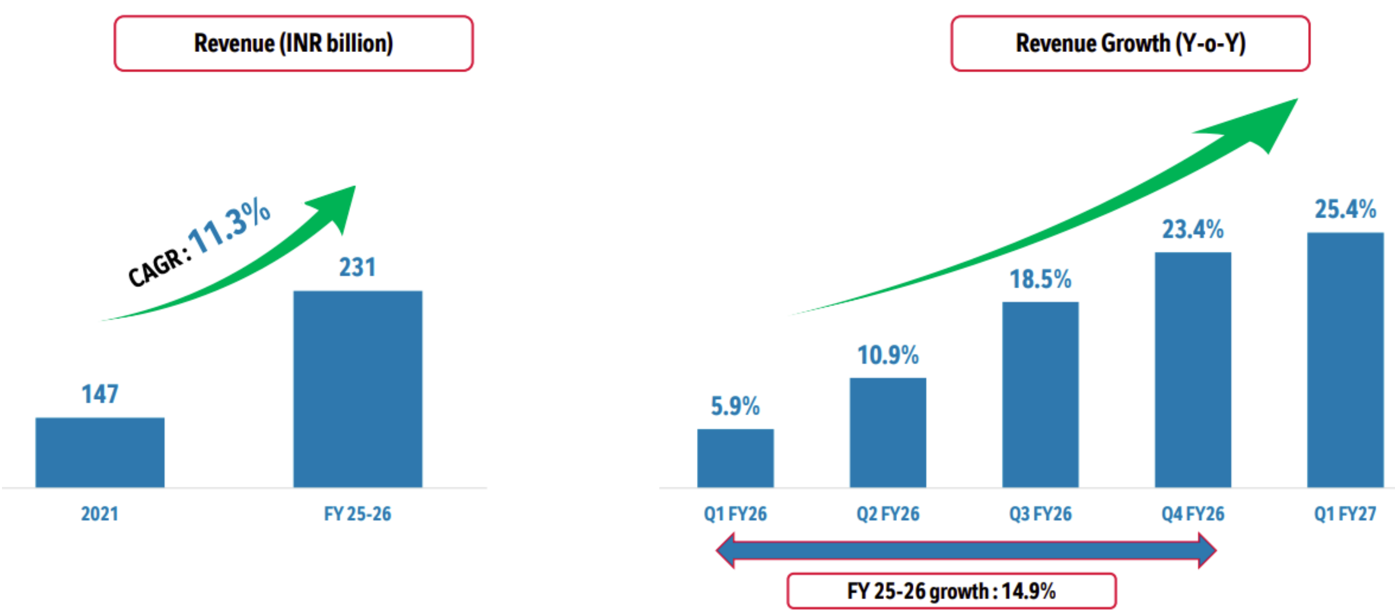
- Revenue grew from INR147b in CY21 to INR231b in FY25-26, an 11.3% CAGR, with growth accelerating sequentially through the year from 5.9% YoY in 1QFY26 to 25.4% YoY in 1QFY27. FY25-26 revenue growth stood at 14.9%.
- Volumes followed a similar trajectory, rising from 544kt in CY21 to 648kt in FY25-26 (4.2% CAGR). Quarterly volume growth accelerated steadily through FY26 and turned double-digit by 4QFY26, taking FY25-26 volume growth to 10.7%. Management has flagged this as a sign of regaining momentum after a soft FY25.
- NEST's India footprint now stands at 8,680 employees, 10,000+ distributors/re-distributors, 6.2m+ outlet reach, nine factories, and 500k+ shareholders, supported by a 114-year legacy in the country.
- The breadth of the portfolio was underlined by scale metrics for FY26: 13.2b+ cups of Nescafé consumed, 5.7b+ serves of Maggi, 5b+ KitKat fingers, 34.2m+ tins of Milkmaid, 13m packs of Purina (Felix), and 535m serves through beverage solutions. Management highlighted that a Nestlé product reaches two out of three households in India.

Exhibit 3: Domestic volume growth was 10.7% YoY in FY26



Source: Company, MOFSL

Exhibit 4: Domestic sales rose 14.9% YoY in FY26, backed by healthy volume growth



Source: Company, MOFSL

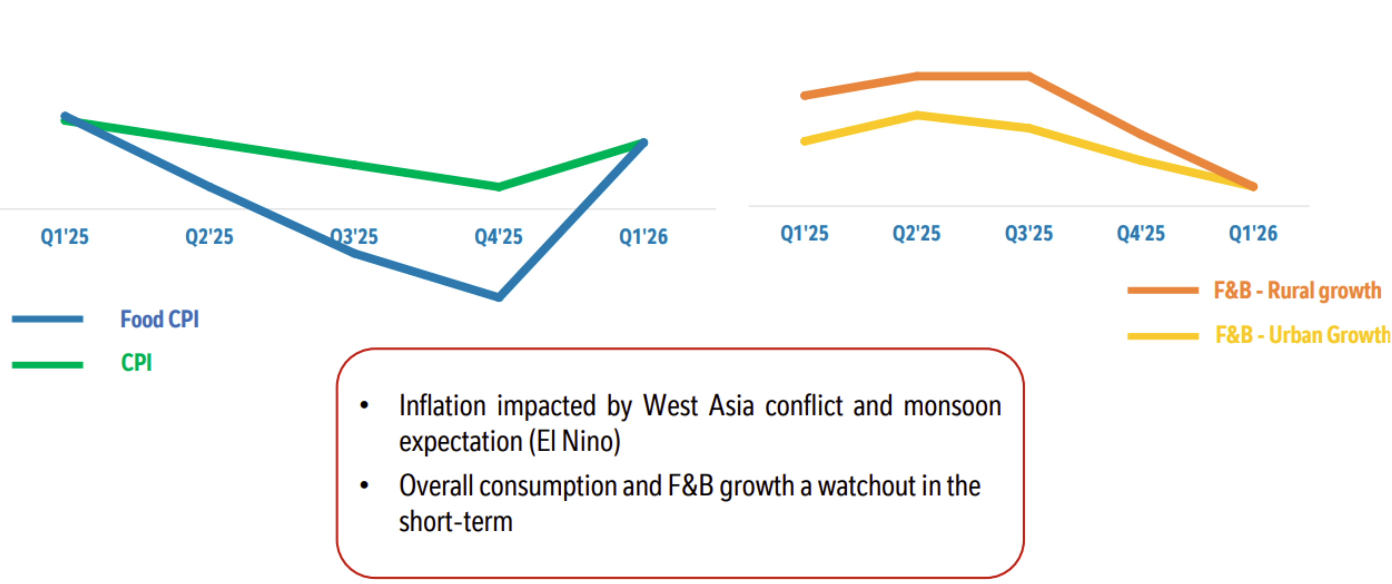
Near term outlook remains challenging

- Management highlighted two key near-term watch-outs: a potential moderation in consumption and an uncertain geopolitical environment.
- While the long-term growth opportunity for the Indian food & beverage market remains intact, the company expects near-term demand trends to remain influenced by macroeconomic and external factors.
- Consumption trends remain mixed, with inflation impacted by the West Asia conflict and El Niño-related monsoon uncertainty. After moderating through most of 2025, CPI and food CPI started inching up in 1QCY26, while food & beverage growth has softened across both rural and urban markets through

FY26. Rural demand continues to outperform urban, although the gap has narrowed, making overall consumption recovery a key monitorable.

- Geopolitical developments continue to pose dual headwinds through both supply continuity and cost inflation. Management highlighted risks from volatile energy, packaging and edible oil prices, shipping disruptions and elevated freight costs, pressure on global raw material availability and supply chains, and continued volatility in commodity and currency markets, all of which could impact input costs and operational efficiency.

Exhibit 5: According to NEST, consumption could moderate in the short term

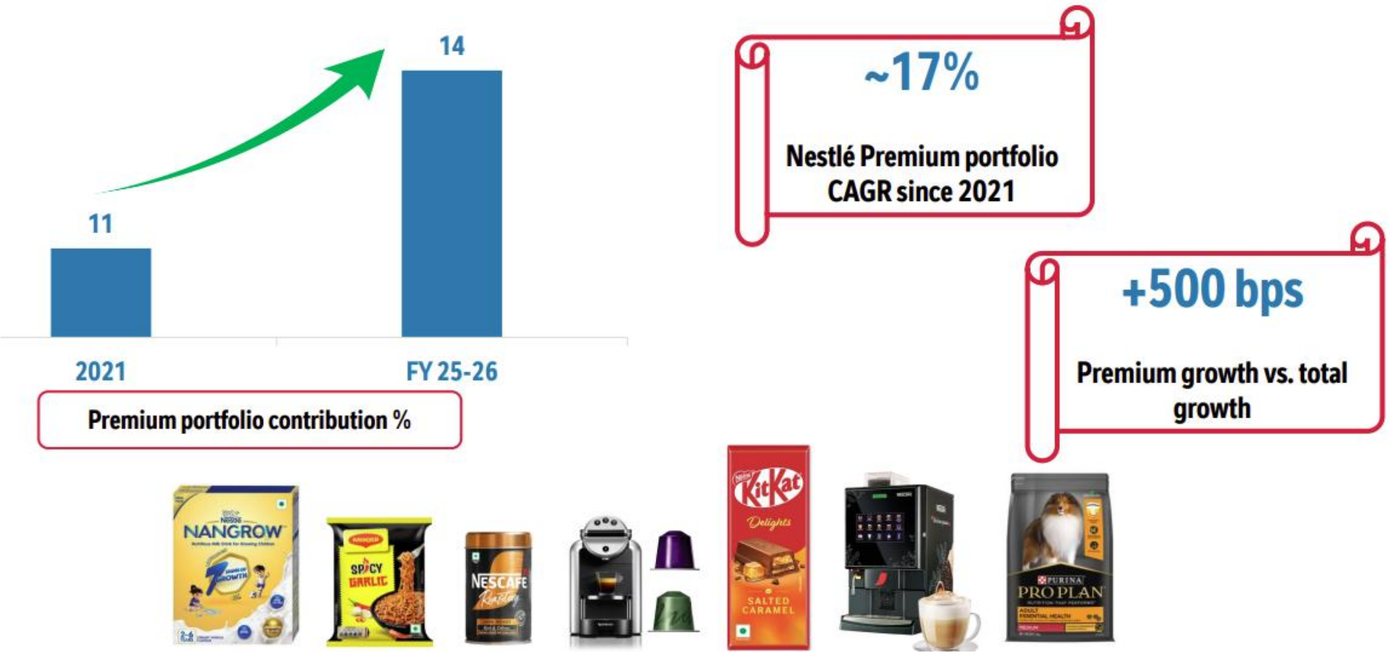


Source: Company, MOFSL

Company strategy

- Management has laid out five strategic pillars going forward: 1) Growth through penetration-led volumes and premiumization; 2) Cost efficiency through value chain optimization; 3) Investments in brands and capacity; 4) Digital acceleration across sales and operations; and 5) Profitability backed by disciplined margins and cash generation.
- NEST's premium portfolio contribution to sales has risen from 11% in 2021 to 14% in FY25-26, translating into a ~17% CAGR since 2021. Management indicated that premium portfolio growth is running ~500bp ahead of the total portfolio's growth rate. It is positioning premiumization as a distinct future growth engine, layered on top of core category expansion.
- In urban markets, the company is scaling emerging channels. NEST's e-commerce's contribution has doubled since 2021, and premium-consumer contribution is now 2x that of traditional channels. E-commerce/quick-commerce is also being used as a launchpad for new products, alongside a 'fit-for-purpose' portfolio, topical-event tie-ins and off-platform brand collaborations.

Exhibit 6: NEST is stepping up premiumization



Source: Company, MOFSL

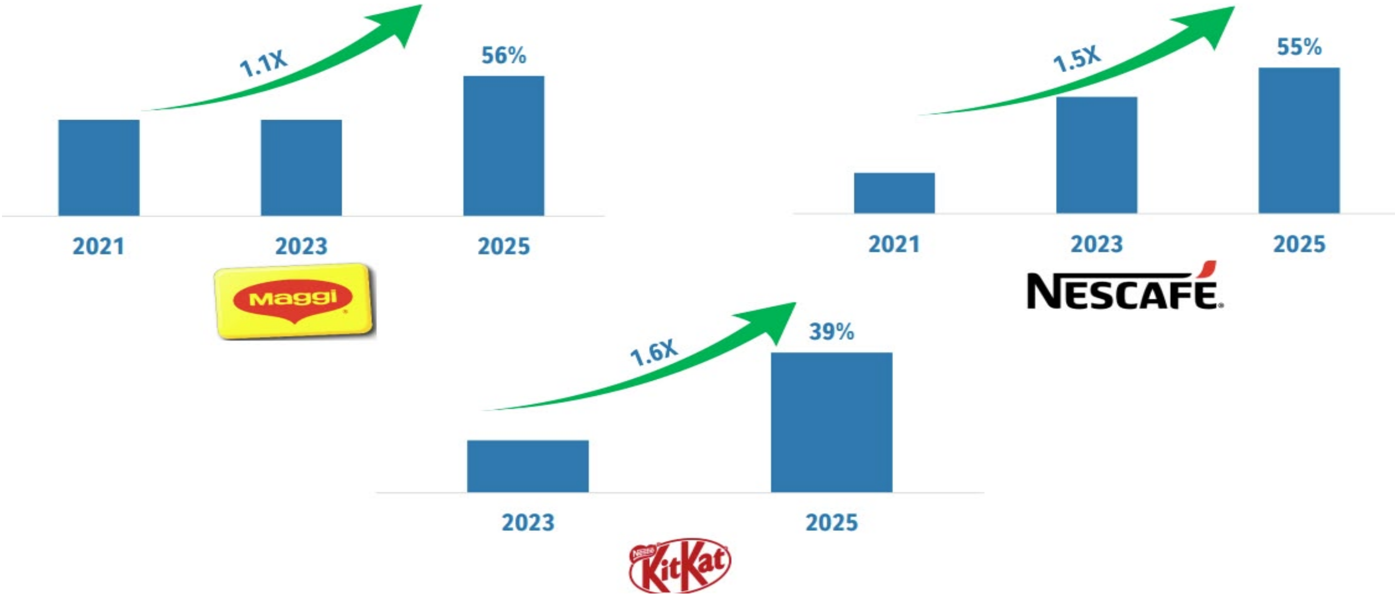
Exhibit 7: NEST is scaling and leveraging emerging channels more prominently in urban markets

Source: Company, MOFSL

Segmental information

- Maggi continues to offer a significant runway despite its leadership position. Household penetration reached 56% in 2025 (1.1x of 2021), while the instant noodles category remains underpenetrated at 37% with 2.3 monthly purchase occasions, compared with 97% penetration and 5.5 occasions for biscuits and 65% penetration and 5.0 occasions for salty snacks, highlighting ample scope to drive both household penetration and consumption frequency. The brand also celebrated 50 years in India during the year.
- Nescafé remains one of the company's fastest-growing franchises, with household penetration increasing to 55% in 2025 (1.5x of 2021) and delivering its 20th consecutive quarter of double-digit growth. Coffee penetration in India stands at just 33%, significantly below 91% for tea, making it one of the largest long-term growth opportunities within the portfolio.
- KitKat continues to gain scale, with household penetration reaching 39% in 2025 (1.6x of 2023). While the overall chocolate category has 62.9% penetration and six quarterly purchase occasions, NEST chocolates stand at 23% penetration and three purchase occasions, leaving considerable headroom for further expansion. India has also become KitKat's largest market globally, supported by successful innovation and pop-culture collaborations.
- Premiumization remains a key structural growth driver. The premium food & beverage segment is growing ~400bp faster than the overall F&B market, while NEST’s premium portfolio contribution has increased from 11% of sales in 2021 to 14% in FY25-26, implying a ~17% CAGR over the period.
- The company is creating new consumption occasions through cold coffee, which now accounts for 26% of coffee cups during summer versus 19% in winter. NEST is strengthening its presence through ready-to-drink offerings, cold coffee mixes, dispensing machines and premium formats, such as Nescafé Vietnamese Latte and Choco Latte.
- Out-of-home (OOH) consumption represents another structural opportunity, with meals consumed outside home expected to increase from five occasions per household per month in 2025 to eight by 2030. India is already the second-largest market for NEST’s OOH business (in Zone AOA), spanning beverage vending solutions, along with savory and dessert offerings under brands such as Maggi and Milkmaid.
- Innovation continues to be supported by NEST’s science-led product development capabilities. The company operates the largest R&D network in the global food & beverage industry, with 4,000+ employees across 22 R&D sites and CHF1.6b invested in R&D during CY2025, enabling continuous innovation across Nutrition & Health (Lactogrow, Ceregrow, Nangrow) and Purina (Pro Plan, Felix).
- **Management reiterated that the combination of low-category penetration, increasing premiumization, new consumption occasions, and sustained innovation provides a long runway for growth across its core categories, despite NEST’s already large-scale in the Indian market.**

Exhibit 8: Scaling household reach (penetration); significant growth headroom



Source: Company, MOFSL

Exhibit 9: Building a portfolio leveraged by science

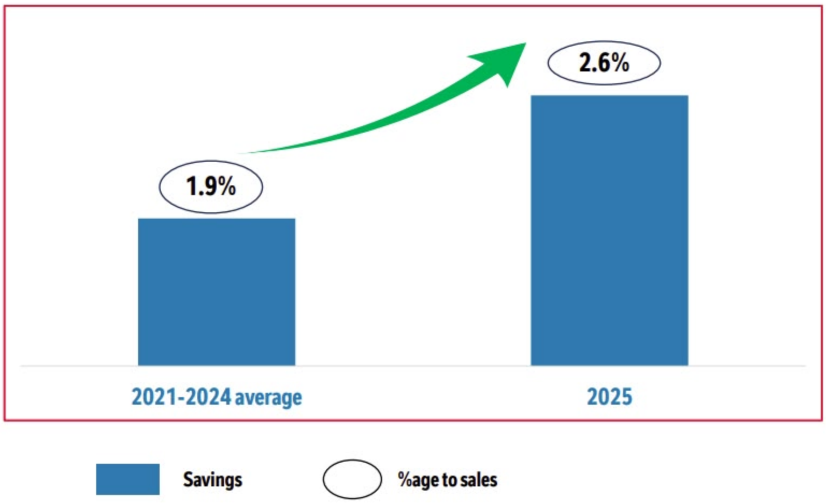
Source: Company, MOFSL

Cost Management

- Cost savings improved to 2.6% of sales in FY25, compared with an average of 1.9% during 2021-24, reflecting continued productivity improvements across the organization.
- The company's efficiency program is built around four key pillars: identifying operational white-space opportunities, challenging existing processes, adopting an external benchmarking approach, and maintaining strong governance.
- The incremental ~70bp improvement in productivity savings has helped partially offset the ~120bp increase in advertising investments since 2022, allowing the company to continue investing behind brands while preserving profitability.

- Management reiterated that productivity remains a continuous exercise, with savings being reinvested to support growth initiatives, capacity expansion, and brand building rather than merely expanding margins.

Exhibit 10: Driving efficiencies across the value chain

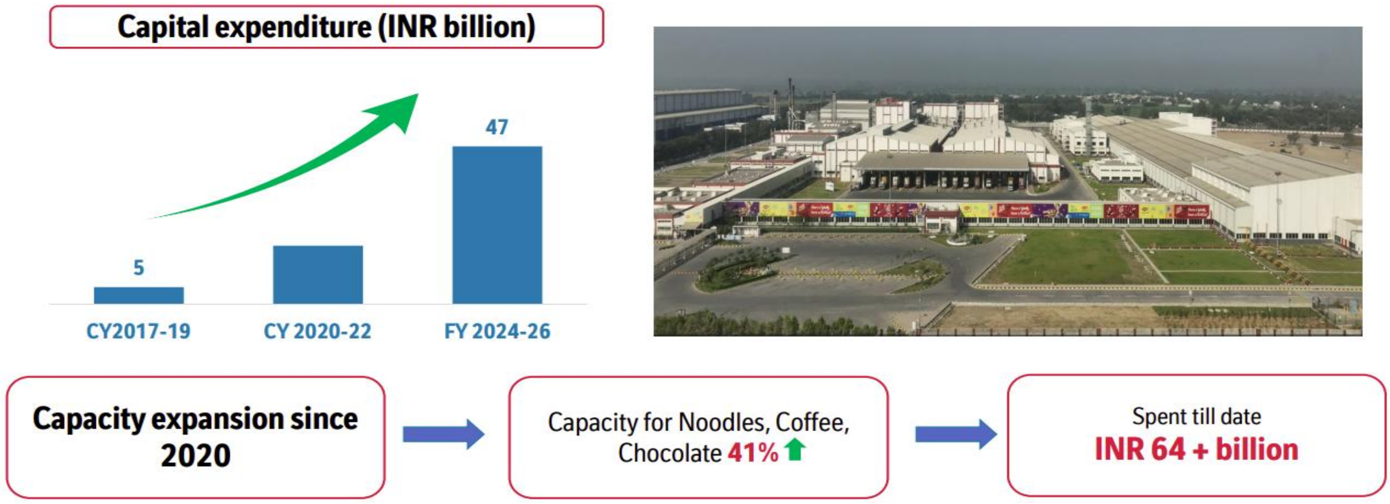


Source: Company, MOFSL

Investments in brands, capacity, and technology

- Advertising spends have stepped up meaningfully from INR7.0b (4.1% of sales) in 2022 to INR12.2b (5.3% of sales) in FY26. Ad spends accelerated through FY26, from 5.1% YoY in 1QFY26 to a peak of 51.8% YoY in 4QFY26, moderating to a still-strong 40.6% growth in 1QFY27.
- Digital's share of overall ad spends rose sharply, from 33% in 2021 to 55% in 2025, reflecting a shift toward more targeted, impactful outreach across Maggi, Nescafé, KitKat, and Ceregrow, among others.
- On capacity, capex has stepped up from an average of INR5b in CY17-19 to INR47b in FY24-26, in line with the company's continued 'Make in India' commitment. Capacity for noodles, coffee, and chocolate has increased 41% since 2020, with a cumulative capex of INR64b+ spent till date.
- Management outlined a broad AI-led transformation agenda across the value chain: 1) touchless forecasting, 2) connected planning (via OMP), 3) digital manufacturing operations (DMO), and 4) touchless replenishment on the operations side.
- On the sales side, ‘Must Sell SKU 3.0’ provides AI-powered, pin-code-level outlet recommendations, the Sales Officer Application delivers real-time insights and actionable nudges to the field force, and SMART is a simulation-driven execution tool designed to pre-empt bad-goods hotspots.
- Internally, 3,500+ employees are leveraging Microsoft 365 Copilot (Gen AI), unlocking ~18,000 productive hours/month, with adoption intensity growing ~18% MoM.

Exhibit 11: Capex trajectory of NEST

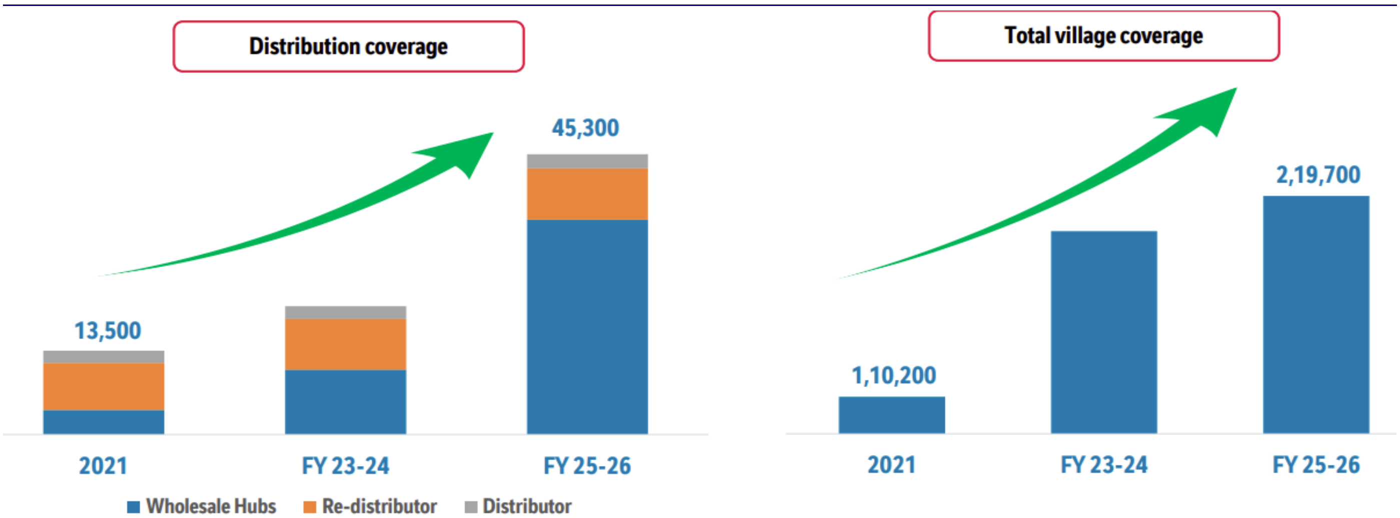


Source: Company, MOFSL

Distribution and expansion

- Distribution expansion remains a key competitive advantage. Retail reach increased to 6.2m outlets as of Jun'26 from 5.7m in 2023, representing an addition of more than 500,000 outlets, which management indicated is the highest incremental expansion among peers.
- The company's distribution infrastructure has expanded meaningfully, with total coverage (wholesale hubs, redistributors, and distributors) increasing to 45,300 touchpoints in FY26 from 13,500 in 2021, significantly improving market access and execution.
- Rural expansion continues to gather pace, with direct coverage now extending to 216,000 villages, strengthening the company's ability to drive penetration-led growth beyond urban markets.
- E-commerce has become an increasingly meaningful growth channel, contributing 8.5% of domestic sales in 2025, nearly 2.5x the 2021 contribution of 3.5%. Management expects digital commerce to remain an important growth driver as online grocery adoption continues to increase.

Exhibit 12: NEST continues to widen its reach



Source: Company, MOFSL

Story in charts

Exhibit 13: Revenue to deliver 14% CAGR over FY26-FY28E

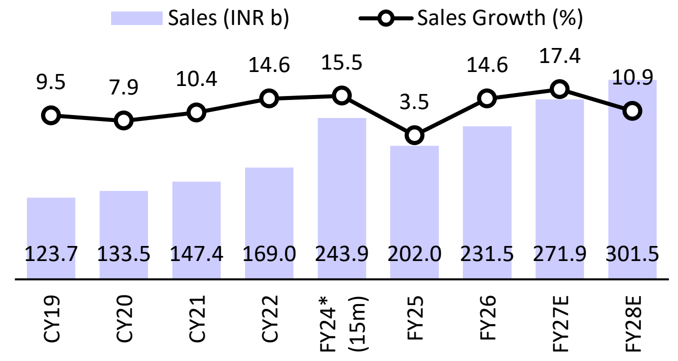


Exhibit 14: EBITDA to deliver 17% CAGR, supported by margin expansion

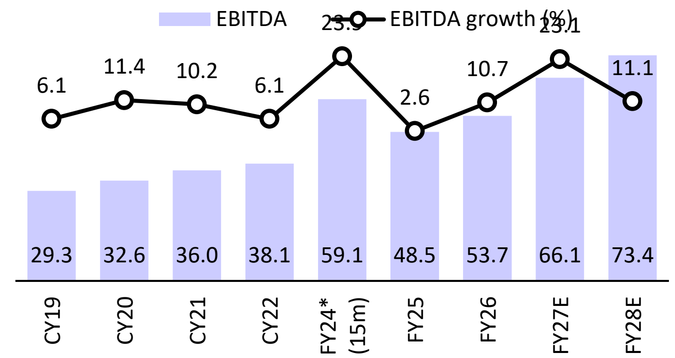


Exhibit 15: Gross margin to witness steady improvement…

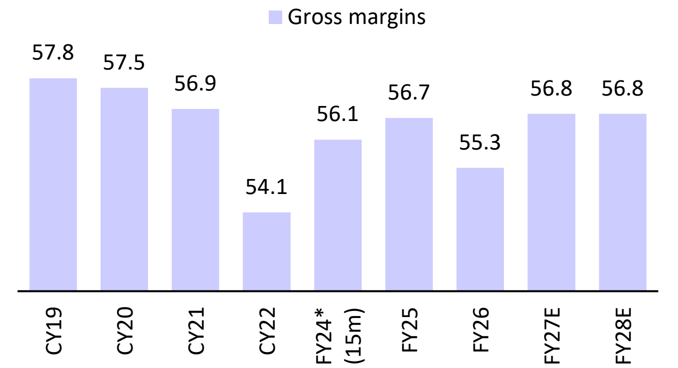


Exhibit 16: ..leading to EBITDA margin expansion

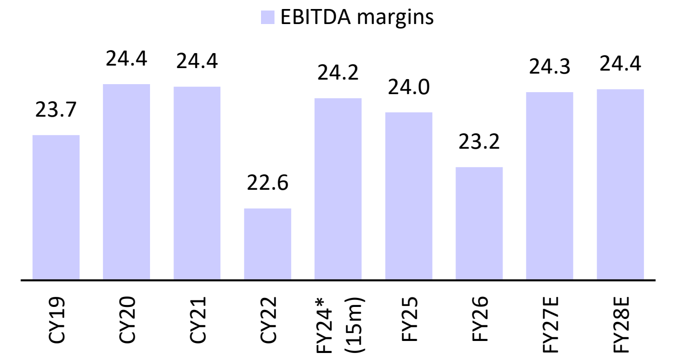


Exhibit 17: APAT to clock 20% CAGR over FY26-FY28E…

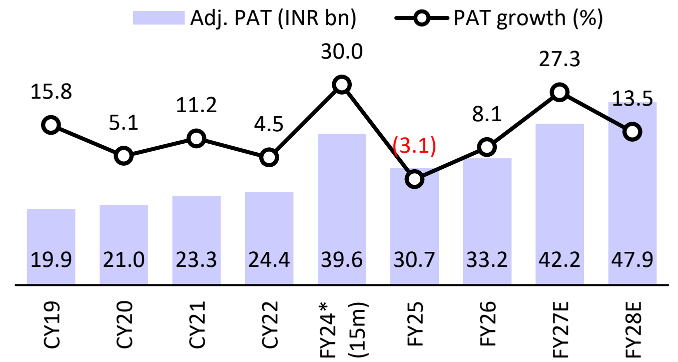


Exhibit 18: …with steady PAT margin of ~16%

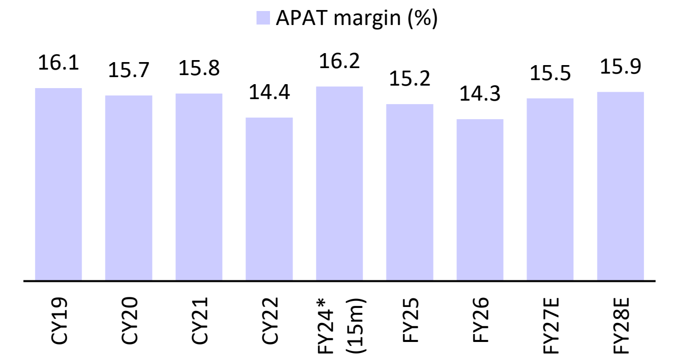
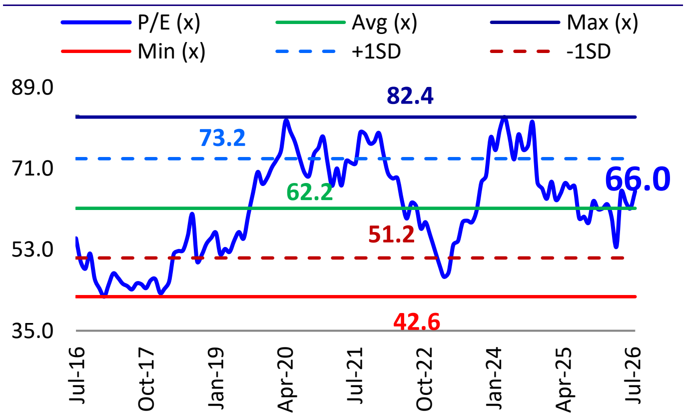
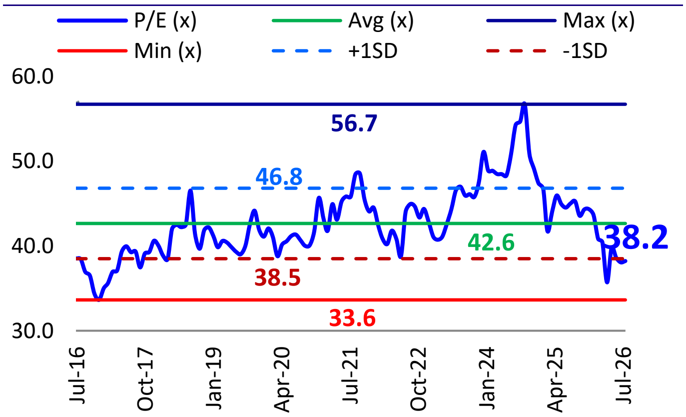


Exhibit 19: NEST's P/E (x)



Sources: Company reports, MOFSL

Exhibit 20: Consumer sector P/E (x)



Sources: Company reports, MOFSL

Financials and valuations

Income Statement									(INR M)
Y/E December	**CY19**	**CY20**	**CY21**	**CY22**	**FY24***	**FY25**	**FY26**	**2027E**	**2028E**
Net Sales	**1,23,689**	**1,33,500**	**1,47,406**	**1,68,970**	**2,43,939**	**2,02,016**	**2,31,546**	**2,71,881**	**3,01,529**
Change (%)	9.5	7.9	10.4	14.6	15.5	3.5	14.6	17.4	10.9
Gross Profit	**71,450**	**76,761**	**83,924**	**91,471**	**1,36,853**	**1,14,518**	**1,28,133**	**1,54,428**	**1,71,268**
Margin (%)	57.8	57.5	56.9	54.1	56.1	56.7	55.3	56.8	56.8
Other Expenditure	42,175	44,142	47,964	53,325	77,765	66,014	74,430	88,323	97,830
EBITDA	**29,275**	**32,619**	**35,960**	**38,146**	**59,088**	**48,503**	**53,704**	**66,106**	**73,438**
Change (%)	6.1	11.4	10.2	6.1	23.9	2.6	10.7	23.1	11.1
Margin (%)	23.7	24.4	24.4	22.6	24.2	24.0	23.2	24.3	24.4
Depreciation	3,164	3,704	3,910	4,030	5,378	5,399	6,992	7,937	8,054
Int. and Fin. Ch.	1,198	1,642	2,017	1,546	1,455	1,360	1,583	1,741	1,916
Other Inc.- Rec.	2,469	1,459	1,201	1,010	1,480	589	404	713	1,064
PBT	**27,382**	**28,732**	**31,234**	**33,580**	**53,735**	**42,333**	**45,532**	**57,141**	**64,533**
Change (%)	6.5	4.9	8.7	7.5	60.0	-1.5	7.6	25.5	12.9
Margin (%)	22.1	21.5	21.2	19.9	22.0	21.0	19.7	21.0	21.4
Total Tax	7,054	7,304	7,389	8,655	13,560	11,085	11,748	14,248	16,122
Tax	7,470	7,634	7,444	8,686	13,157	10,952	11,410	14,248	16,122
Deferred Tax	-416	-331	-55	-32	404	134	338	0	0
Tax Rate (%)	25.8	25.4	23.7	25.8	25.2	26.2	25.8	24.9	25.0
Adjusted PAT	**19,944**	**20,964**	**23,311**	**24,362**	**39,577**	**30,694**	**33,176**	**42,240**	**47,929**
Change (%)	15.8	5.1	11.2	4.5	30.0	-3.1	8.1	27.3	13.5
Margin (%)	16.1	15.7	15.8	14.4	16.2	15.2	14.3	15.5	15.9
Non-rec. (Exp)/Inc.	249	140	2,127	457	249	-1,382	-1,995	46	0
Reported PAT	**19,696**	**20,824**	**21,184**	**23,905**	**39,328**	**32,076**	**35,171**	**42,194**	**47,929**

Balance Sheet									(INR M)
Y/E December	**CY19**	**CY20**	**CY21**	**CY22**	**FY24***	**FY25**	**FY26**	**2027E**	**2028E**
Share Capital	1,928	1,928	1,928	1,928	1,928	1,928	1,928	1,928	1,928
Reserves	17,394	18,265	18,916	22,663	31,481	38,174	51,164	61,678	73,661
Net Worth	**19,323**	**20,193**	**20,845**	**24,592**	**33,409**	**40,102**	**53,093**	**63,607**	**75,589**
Loans	531	317	275	267	311	7,533	244	544	844
Capital Employed	**19,854**	**20,511**	**21,120**	**24,858**	**33,720**	**47,635**	**53,337**	**64,151**	**76,433**
Gross Block	36,092	39,983	51,169	54,740	63,337	87,960	1,01,851	1,13,851	1,25,851
Less: Accum. Depn.	13,825	18,189	21,229	24,303	28,734	33,224	38,947	46,883	54,937
Net Fixed Assets	**22,267**	**21,794**	**29,940**	**30,437**	**34,603**	**54,736**	**62,904**	**66,968**	**70,914**
Capital WIP	1,433	6,386	2,462	3,584	17,417	11,726	5,070	5,070	5,070
Investments	17,511	14,638	7,740	7,775	4,639	5,750	7,056	7,056	7,056
Curr. Assets, L&A	**29,371**	**35,981**	**41,699**	**47,735**	**48,572**	**49,721**	**58,542**	**77,117**	**95,027**
Inventory	12,831	14,165	15,802	19,288	20,894	28,501	25,692	29,960	33,227
Account Receivables	1,243	1,649	1,653	1,919	3,005	3,632	3,295	3,869	4,290
Cash and Bank Balance	13,081	17,699	7,354	9,456	7,789	957	13,409	26,411	40,094
Others	2,217	2,468	16,890	17,073	16,886	16,632	16,146	16,878	17,415
Curr. Liab. and Prov.	**50,549**	**58,487**	**60,980**	**64,929**	**71,390**	**74,044**	**79,370**	**91,194**	**1,00,767**
Account Payables	14,947	15,166	17,349	19,338	22,379	23,735	29,667	34,440	38,321
Other Liabilities	5,678	8,452	7,083	9,528	14,089	12,849	14,192	15,592	17,133
Provisions	29,924	34,869	36,548	36,064	34,922	37,459	35,511	41,161	45,314
Net Curr. Assets	**-21,177**	**-22,506**	**-19,281**	**-17,194**	**-22,818**	**-24,323**	**-20,828**	**-14,076**	**-5,741**
Def. Tax Liability	-180	199	258	256	-120	-254	-866	-866	-866
Appl. of Funds	**19,854**	**20,511**	**21,120**	**24,858**	**33,720**	**47,635**	**53,336**	**64,151**	**76,433**

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E December	CY19	CY20	CY21	CY22	FY24*	FY25	FY26	2027E	2028E
Basic (INR)									
EPS	**10.3**	**10.9**	**12.1**	**12.6**	**20.5**	**15.9**	**17.2**	**21.9**	**24.9**
Cash EPS	12.0	12.8	14.1	14.7	23.3	18.7	20.8	26.0	29.0
BV/Share	10.0	10.5	10.8	12.8	17.3	20.8	27.5	33.0	39.2
DPS	17.1	10.0	10.0	11.0	16.1	13.5	12.0	16.4	18.6
Payout (%)	165.3	92.0	82.7	87.1	78.4	84.8	69.8	75.0	75.0
Valuation (x)									
P/E	147.0	139.8	125.7	120.3	74.1	95.5	88.4	69.4	61.2
Cash P/E	126.8	118.8	107.7	103.2	65.2	81.2	73.0	58.4	52.4
EV/Sales	23.5	21.7	19.8	17.2	12.0	14.5	12.6	10.7	9.6
EV/EBITDA	99.1	88.9	81.1	76.4	49.4	60.4	54.2	43.8	39.3
P/BV	151.7	145.2	140.6	119.2	87.7	73.1	55.2	46.1	38.8
Dividend Yield (%)	1.1	0.7	0.7	0.7	1.1	0.9	0.8	1.1	1.2
Return Ratios (%)									
RoE	71.2	106.1	113.6	107.2	109.2	83.5	71.2	72.4	68.9
RoCE	74.5	112.2	122.0	113.4	112.7	79.3	69.2	75.2	70.9
Working Capital Ratios									
Debtor (Days)	3.7	4.5	4.1	4.1	4.5	6.6	5.2	5.2	5.2
Asset Turnover (x)	4.3	6.6	7.1	7.4	8.3	5.0	4.6	4.6	4.3
Leverage Ratio									
Debt/Equity (x)	0.0	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.0

Cash Flow Statement (INR M)

Y/E December	CY19	CY20	CY21	CY22	FY24*	FY25	FY26	2027E	2028E
OP/(loss) before Tax	26,750	28,128	28,838	32,560	52,889	43,161	46,919	56,442	64,051
Int./Div. Received	17	265	90	181	260	351	495	1,741	1,916
Depn. and Amort.	3,164	3,704	3,902	4,030	5,378	5,399	6,992	7,937	8,054
Others	-2,497	-1,489	-1,307	-683	-1,302	-2,192	-967	-713	-1,064
Direct Taxes Paid	-6,729	-7,029	-7,286	-8,412	-12,988	-10,244	-10,713	-14,248	-16,122
Incr in WC	1,632	966	-1,522	-302	-2,489	-7,112	7,930	601	1,194
CF from Operations	**22,337**	**24,545**	**22,714**	**27,374**	**41,748**	**29,364**	**50,656**	**51,760**	**58,029**
Others	11,723	4,374	7,958	890	1,981	1,156	145	714	1,064
Incr in FA	-1,522	-4,741	-7,308	-5,407	-18,783	-20,044	-8,263	-12,000	-12,000
Free Cash Flow	**20,815**	**19,804**	**15,406**	**21,967**	**22,965**	**9,320**	**42,393**	**39,760**	**46,029**
Pur of Investments	-159	0	-13,522	472	4,736	1,173	1,701	0	0
CF from Invest.	**10,043**	**-368**	**-12,872**	**-4,046**	**-12,066**	**-17,714**	**-6,417**	**-11,286**	**-10,936**
Incr in Debt	0	0	0	0	0	0	0	0	0
Dividend Paid	-35,563	-18,898	-19,283	-20,247	-30,082	-24,586	-23,140	-31,680	-35,947
Others	163	-661	-903	-980	-1,267	6,105	-8,647	4,208	2,537
CF from Fin. Activity	**-35,400**	**-19,559**	**-20,186**	**-21,227**	**-31,349**	**-18,481**	**-31,787**	**-27,472**	**-33,410**
Incr/Decr of Cash	**-3,020**	**4,618**	**-10,345**	**2,101**	**-1,667**	**-6,832**	**12,452**	**13,002**	**13,683**
Add: Opening Balance	16,101	13,081	17,699	7,354	9,456	7,789	957	13,409	26,411
Closing Balance	**13,081**	**17,699**	**7,354**	**9,456**	**7,788**	**956**	**13,409**	**26,411**	**40,094**

E: MOFSL Estimates

N O T E S

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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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