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Good Q4; growth businesses performing well

About the stock: Tata Consumer Products (TCPL) was formed with a vision to synergise, simplify and scale the principal consumer products interests of the Tata Group under one roof. Under the vision it has transformed itself from commodities tea/coffee business to high margins food and beverage business.

Q4FY26 performance: TCPL's consolidated revenues grew by 18% YoY to Rs.5,434cr. India business volume growth stood at 16% in Q4FY26. India Foods, International business and non-branded business registered strong growth of 21%, 21% and 43% respectively during the quarter. Higher coffee prices YoY led to 65bps YoY dip in the gross margins to 41.3%. Lower other expenses led to 111bps YoY improvement in the EBIDTA margins to 14.6%. EBIDTA grew by 27.6% YoY to Rs792.4cr and adjusted PAT grew by 31% YoY to Rs463.2cr.

Investment Rationale:

- Growth business maintained strong growth momentum; alternate channels pushing the overall growth:** Growth businesses registered a sturdy growth of 33% in Q4FY26 and 24% in FY26. It crossed revenues of Rs4,000cr with contribution increasing to 31% in FY26. Tata Sampann registered growth of 26% YoY with revenues of about Rs1,600cr in FY26 on back of strong execution and good traction to new product launches. Dry fruits and cold press oil (launched 2 years back) are now Rs500cr categories each giving strong push to Tata Sampann growth. Ready-To-Drink (RTD) portfolio registered a growth of 10% YoY with revenues crossing Rs900cr (volume growth of 20% YoY). Management expects Tata Sampann and RTD portfolio to maintain double digit growth in the coming years. The strong growth is also supported by strong execution and back-end support. Split route Go-To-Market (GTM) strategy has been implemented in entire India and is helping accelerating premium product sales. Alternate channels such as Modern trade and e-comm (together contributing 34% of sales) have grown by 20% and 62% respectively in FY26. These channels are providing strong platform for growth businesses.
- Revenues to grow in double digits in FY27:** TCPL's consolidated revenues grew by 15% YoY to Rs20,290cr in FY26. Management has maintained double digit revenue growth guidance for FY27. India branded tea sales expected to grow by mid-to-high single digit with mid-single digit volume growth. Growth businesses will continue to grow by 30% in the near term. Recent acquisitions such as Organic Foods will grow by 25-30% while Capital foods expected to witness recovery in growth in FY27.
- EBIDTA margins by 50-75bps in FY27:** TCPL's consolidated EBIDTA margins decreased by 31bps YoY to 13.8% due to inflation in the tea and coffee prices. Tea prices have corrected from its high and are expected to remain stable in FY27. Coffee prices have also witness correction in the recent past and benefit of same will flow from Q1FY27. India branded tea and US Coffee businesses are expected to post better margins in FY27. Tata Sampann is heading towards mid-teen margins. Overall management has guided for 50-75bps improvement in the EBIDTA margins in FY27.

Rating and Target Price: We expect TCPL revenues/EBIDTA/Adjusted PAT to grow at CAGR of 13%/19%/21% over FY26-28E. We recommend **Buy** with a **price target of Rs.1,420 (FY28E EPS of Rs25.5 valuing at 55x)**.

Key Financial Summary

Key Financials (₹ Crore)	FY23	FY24	FY25	FY26	3 year CAGR (FY23-26)	FY27E	FY28E	2 year CAGR (FY26-28E)
Revenues	13783.6	15205.9	17618.3	20290.4	13.8	23083.3	25885.7	12.9
EBIDTA	1856.9	2284.1	2479.4	2791.8	14.6	3366.6	3943.9	18.9
EBIDTA Margins(%)	13.5	15.0	14.1	13.8		14.6	15.2	
Adjusted PAT	1193.0	1457.4	1377.0	1725.2	13.1	2077.0	2524.2	21.0
EPS (Rs.)	12.1	14.7	13.9	17.4		21.0	25.5	
PE (x)	90.9	76.9	84.5	67.5		56.0	46.1	
EV to EBIDTA (x)	61.8	52.2	47.5	42.1		34.6	29.2	
RoE (%)	7.1	8.4	7.1	7.7		8.7	10.0	
RoCE (%)	8.7	9.2	7.7	8.5		10.0	11.7	

Source: Company, ICICI Direct Research



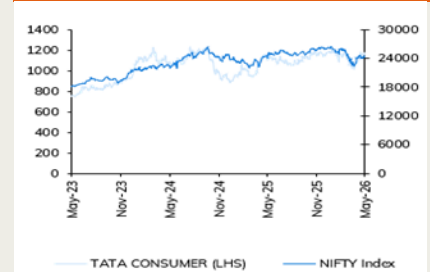
Particulars

Particular	Amount
Market Capitalisation (₹ crore)	1,16,377
Debt (FY26) - ₹ crore	4,554
Cash (FY26) - ₹ crore	3,420
EV (Rs crore)	1,17,511
52 week H/L (₹)	1221 / 1007
Equity capital (₹ crore)	99.0
Face value (₹)	1.0

Shareholding pattern

	Jun-25	Sep-25	Dec-25	Mar-26
Promoters	33.8	33.8	33.8	33.8
FII	23.2	21.5	21.2	21.2
DII	19.5	22.0	23.5	23.5
Others	23.5	22.7	21.5	21.5

Price Chart



Key risks

- Sustained inflation in the raw tea prices.
- Increase in competition from regional brands in tea and coffee segment.
- Slow scale-up in some of the recent acquisitions.

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Q4FY26 – Key performance highlights

- TCPL's consolidated revenues grew by 18% YoY to Rs.5,434cr in Q4FY26 led by mid-teens volume growth of 16% YoY in the India branded business.
- **India beverages** reported 6% YoY growth in revenues to Rs.1,615cr. India packaged beverages reported 1% YoY decline in revenues to Rs.1,220cr. The segment reported 4% YoY growth in volumes during the quarter with tea prices being passed through to consumers. Tea prices sustained deflation for yet another quarter are expected to be benign over the upcoming quarters. RTD segment continued its strong growth trajectory for 3rd consecutive quarter with 23% YoY revenue growth to Rs.260cr. Tata Copper+ sustained its growth momentum reporting 33% YoY growth during the quarter. The RTD segment reported strong volume growth of 28% YoY in Q4FY26.
- **India Foods (Ex-Capital and Organic Foods)** recorded 24% YoY Rs.1,418cr backed by sustained mid-teens volume growth of 15% YoY thereby overtaking beverages to be the largest segment. Salts reported 12% YoY growth in revenues with teens growth of 13% in volumes. Tata Sampann recorded strong growth of 69% YoY driven by sustained strong performance across the new innovations and launches and also led by strong availability and distribution led by e-comm and q-comm.
- **Capital and Organic Foods** witnessed 8% YoY growth in revenues to Rs.348cr in Q4FY26. Performance was in low single digits due to impact on capital foods exports slowdown as geopolitical headwinds slowed down overall exports during the quarter. The businesses continued to be gross margin accretive to the consolidated business. The business reported a combined gross margin of 47% in Q4FY26.
- **International business** reported 21% YoY growth in revenues (11% CC growth) to Rs.1,336cr. UK business revenues returned to positive growth trajectory with 3% YoY growth led by strong execution and promotional activities. USA business delivered 24% YoY growth and Canada business revenues grew by 7% YoY growth driven by Speciality segment. Gross margins were lower due to higher coffee prices in the inventory and is expected to gradually improve ahead. Due to gross margin pressure, EBITDA margins declined 220bps YoY in Q4FY26.
- **Non-Branded business** reported 41% YoY growth in revenues to Rs.714cr led by 43% YoY growth in soluble business. Plantation revenues reported 28% YoY growth led by higher volumes. EBITDA margins declined by ~1280bps YoY due to reversal of fair value benefits.
- **Tata Starbucks** reported 7% YoY growth in revenues with 3rd consecutive quarter of positive same stores sales growth. The company closed 2 stores during the quarter taking total store count to 502.
- **Growth businesses** reported 33% YoY growth in revenues with its share in the portfolio above guided range of 30% in Q4FY26. Its contribution stood at 33% for Q4FY26. Growth was witnessed across categories such as Tata Sampann, RTD, Organic India and Vending business.
- Consolidated gross margins declined by 65bps YoY to 41.3% due to higher coffee prices. India business gross margins reported 285bps YoY expansion led by reduction in tea prices while international business reported margin pressure led by elevated coffee prices.
- EBITDA Margins stood at 14.6% for Q4FY26 improving by 111bps YoY. Expansion in EBITDA was led by strong performance in the India business while international business continued to be under pressure due to elevated input cost. EBITDA grew 27.6% YoY to Rs.792.4cr.
- Strong operating performance coupled with slightly lower interest cost led to 31.1% YoY growth in Adjusted PAT to Rs.463.2cr. Reported PAT grew by 21.6% YoY to Rs.424cr adjusted for exceptional items.

Exhibit 1: Q4FY26 consolidated result snapshot (₹ crore)

Particulars	Q4FY26	Q4FY25	Y-o-Y (%)	Q3FY26	Q-o-Q (%)
Total Revenue	5433.6	4608.2	17.9	5112.0	6.3
Raw material cost	3191.4	2676.5	19.2	2925.2	9.1
Employee cost	434.2	343.6	26.4	434.5	-0.1
Other expenses	1015.7	967.1	5.0	1031.6	-1.5
Total operating cost	4641.2	3987.3	16.4	4391.3	5.7
Operating profit	792.4	621.0	27.6	720.7	10.0
Other income	52.6	56.5	-7.0	33.0	59.2
Interest & other financial cost	38.4	40.0	-3.9	31.6	21.5
Depreciation	110.2	98.1	12.3	104.3	5.6
Profit Before Tax	696.4	539.4	29.1	617.8	12.7
Tax	166.0	127.9	29.8	157.1	5.6
Adjusted PAT before share of profit from associates/JV	530.4	411.5	28.9	460.6	15.1
Minority Interest (MI)/ Profit from associates	-67.2	-58.4	15.2	-18.3	267.8
Adjusted PAT after MI	463.2	353.2	31.1	442.4	4.7
Extra-ordinary items	-39.2	-4.4	-	-57.8	-
Reported PAT	424.0	348.7	21.6	384.5	10.3
Adjusted EPS (Rs.)	5.4	4.2	29	4.7	15
Margins	Q4FY26	Q4FY25	bps	Q3FY26	bps
GPM (%)	41.3	41.9	-65	42.8	-151
OPM (%)	14.6	13.5	111	14.1	49
NPM (%)	9.8	8.9	83	9.0	75
Tax rate (%)	23.8	23.7	13	25.4	-160

Source: Company, ICICI Direct Research

Exhibit 2: Revenue breakup (₹ crore)

Particulars	Revenue	Value. Growth	vol. growth
India beverages	1615.0	6.3%	4%*
India food	1553.0	24.1%	15.0%
International	1336.0	20.7%	-
Non-branded	714.0	43.0%	-
Capital and Organic Foods	213.0	10.0%	
Total Revenues	5433.6		

Source: Company, ICICI Direct Research

*India Packed beverages volumes

Exhibit 3: Q4FY26 segmental revenues (₹ crore)

Particular	Q4FY26	Q4FY25	Y-o-Y (%)	Q3FY26	-o-Q (%)
India Business	3327.9	2936.7	13.3	3203.1	3.9
International Business	1418.1	1193.7	18.8	1399.7	1.3
Total branded business	4746.0	4130.4	14.9	4602.8	3.1
Non-branded business	714.4	500.6	42.7	546.7	30.7
Total	5433.6	4608.2	17.9	5112.0	6.3

Source: Company, ICICI Direct Research

Exhibit 4: Q4FY26 segmental PBIT (₹ crore)

Particular	Q4FY26	Q4FY25	Y-o-Y (%)	Q3FY26	Q3FY26 -o-Q (%)
India Business	454.6	241.6	88.1	400.2	13.6
International Business	151.6	157.3	-3.6	172.2	-12.0
Total branded business	606.2	398.9	52.0	572.5	5.9
Non-branded business	74.5	112.0	-33.5	65.5	13.7
Total PBIT	680.6	510.9	33.2	638.0	6.7

Source: Company, ICICI Direct Research

FY26 – Key performance highlights

- Consolidated revenues recorded 15.2% YoY growth in revenues to Rs.20,290.4cr in FY26.
- India Beverages reported 8% and India Foods (ex-capital and organic foods) reported 21% YoY growth in revenues for FY26. International business reported 16% YoY growth (9% CC terms). Non-branded business recorded 25% YoY growth in revenues in FY26.
- Gross margins witnessed 128bps YoY decline to 41.6% due to elevated input cost environment
- EBITDA margins were down by 31bps YoY to 13.8%. India business margins were witnessed steady expansion while contraction in international business margins impacted margins on consolidated basis. EBITDA grew by 13% YoY to Rs.2791.8cr.
- Adjusted PAT witnessed 25.3% YoY growth to Rs.1725.2cr. Reported PAT reported 20.2% YoY growth to Rs.1546.8cr.
- The board of directors have recommended final dividend of Rs.10/share.

Q4FY26 – Key conference call highlights

- **Double-digit revenue growth guidance retained for FY27; Growth businesses remain key lever along with steady performance in core business**
 - The management reiterated confidence of sustaining double-digit topline growth.
 - Growth is expected to be driven by continued momentum in growth business which the management expects to sustain growing at 30% over the near to medium term and will continue to contribute ~30% to overall business.
 - Other Key growth drivers highlighted by the management were:
 - Innovation-led expansion with 80 new launches during FY26. Innovation to sales ratio stood at 4.5% in FY26/ Innovation sales have scaled 7x since its start in FY21.
 - Strong momentum in quick commerce and e-commerce channels. Modern trade continues strong momentum. It reported 20% growth in FY26. E comm+ Q.comm grew by 62% in FY26. Additionally emerging channels are also expected to aid the revenue growth.
 - Management highlighted that the revamped GTM structure has already started showing improvement in execution metrics, particularly for growth portfolio brands.
 - E-commerce and quick commerce revenues grew 62% in FY26 and now contribute 19% of India business revenues, while modern trade grew 20% contributing to 15% of India business revenues.
 - Tata Sampann, Tata Simply Better, protein-led offerings and premium wellness categories are expected to remain important growth levers going ahead.

- EBITDA margins to witness 50-75bps expansion in FY27; Benign tea cost, recovery in coffee margins and accelerated scale-up of growth business will be key drivers
 - The management maintained its guidance of delivering 50-75bps EBITDA margin expansion in FY27 despite commodity and geopolitical uncertainties and reiterated that this remains a firm target.
 - Margin improvement is expected to be driven by benign tea cost environment, gradual correction in global coffee prices, improving mix towards premium and growth businesses and operating leverage from strong topline growth
 - The management highlighted that tea margins have now normalised back to desired levels after remaining under pressure during the earlier part of FY26.
 - Coffee margins, particularly in the US business, are expected to improve gradually over the next few months as lower-cost inventory starts flowing through the system.
 - Input cost pressures are currently being witnessed in packaging materials, LPG-linked costs and fuel-related inflation. However, management remains confident of mitigating cost pressures through calibrated pricing actions backed by strong brand equity.
 - A&P spends are expected to remain in the range of ~7-8.5% of sales with continued investments behind brands, innovation and digital channels while maintaining margin expansion trajectory.
- Tea business to witness mid to high single digit revenue growth with mix of pricing and volumes; Fresh low priced coffee inventory to help recover coffee margins
 - The management reiterated its guidance of delivering mid-single digit tea volume growth along with some price/mix-led growth going forward taking overall revenue growth to mid-high single digits.
 - Tea volumes grew 4% in Q4FY26 while revenues declined 1% due to price cuts taken amid softer tea costs.
 - Tea costs are currently trending broadly in line with last year levels and management indicated that the tea cost environment remains largely benign as of now.
 - Tea margins have now returned to desired levels and management expects margins to remain broadly stable going ahead in the range of ~33%.
 - In the US coffee business, management expects gradual margin recovery as lower green coffee costs start flowing through over the next few months, although competitive pricing and promotions will continue to be monitored closely.
 - The company highlighted that the industry is still carrying older high-cost coffee inventory and hence the full benefit of lower coffee prices has not yet reflected in margins. Margin recovery is expected to happen progressively as fresh inventory replaces older inventory.
- Growth business witness 24% YoY growth in FY26 scaling to Rs.4000cr+ ; Contribution in-line with guidance of 30%
 - The management-maintained confidence of sustaining ~30% growth trajectory in growth businesses over the near-to-medium term.
 - Strong growth is expected to be driven by Capital Foods, Organic India, RTD portfolio, Tata Copper+, premiumisation, innovation and channel expansion.
 - The company highlighted that the revamped GTM structure has already started showing improvement in execution metrics and lines-per-outlet, especially for growth portfolio brands.

- Capital Foods growth was temporarily impacted due to GTM restructuring during the quarter, although management remains confident of returning to ~30% growth trajectory quickly. Organic foods to continue growing at 25-30%
- The company remains open to acquisitions in relevant categories, although management indicated that currently “what they like is not for sale.”
- **Tata Sampann EBITDA margins close to mid-teen; Reaches ARR of ~Rs.1600cr**
 - Tata Sampann delivered strong growth with revenues growing 69% in Q4FY26 and 46% in FY26 aided by broad-based category growth and higher contribution from new product launches.
 - The management highlighted that Tata Sampann has now reached an ARR of ~Rs.1,600cr.
 - Growth was supported by strong traction across pulses, poha, vermicelli, dry fruits and cold-pressed oils along with increasing consumer preference towards health and wellness categories.
 - Quick commerce and e-commerce channels are significantly aiding Sampann growth by improving product availability and consumer reach.
 - The management highlighted that Sampann margins are gradually improving and are moving towards mid-teen levels on a margin-after-promotion basis.
 - The company continues to focus innovation under three broad themes — health & wellness, convenience and premiumisation.
- **Impact of Middle East Situation**
 - The Middle East disruption impacted exports and international business during March due to shipping disruptions through Dubai transshipment routes, affecting Capital Foods exports and some international shipments.
 - The management highlighted that most of these logistics’ disruptions have normalised from April onwards.
 - The company has already diversified sourcing for packaging materials and LPG-related inputs to avoid supply chain disruptions.
 - The management indicated that any sharp fuel price inflation could lead to broader industry-wide inflationary pressures, although current impact remains manageable.

Revision in earnings estimates

We have broadly maintained our earnings estimates for FY27 and FY28. Management has guided for double digit revenue growth and 50-75bps improvement in the EBIDTA margins in FY27.

Exhibit 5: Changes in headline estimates

(₹ crore)	FY27E			FY28E		
	Old	New	% Chg	Old	New	% Chg
Net Revenues	22397.1	23083.3	3.1	25046.2	25885.7	3.4
EBIDTA	3335.6	3366.6	0.9	3863.1	3943.9	2.1
EBIDTA margin (%)	14.9	14.6		15.4	15.2	
PAT	2113.6	2077.0	-1.7	2547.2	2524.2	-0.9
EPS (Rs.)	21.4	21.0	-1.7	25.7	25.5	-0.9

Source: Company, ICICI Direct Research

Exhibit 6: Key operating assumptions

Particulars	FY24	FY25	FY26	FY27E	FY28E	CAGR (FY25-28E)
India beverage business (a+b+c)	5416.0	5974.0	6467.0	7102.6	7935.6	9.9%
YoY (%)	7.2	10.3	8.3	9.8	11.7	
Packaged beverage (a)	4588.0	4764.0	5070.5	5402.9	5870.2	
YoY (%)	3.6	3.8	6.4	6.6	8.7	
Ready to Drink (RTD) (b)	828.0	835.0	918.5	1102.2	1300.6	
YoY (%)	33.3	0.8	10.0	20.0	18.0	
Organic India (c)	0.0	375.0	478.0	597.5	764.8	
YoY (%)	-	-	27.5	25.0	28.0	
India Foods (d + e)	4314.0	5569.0	6588.0	7790.6	9127.7	17.9%
YoY (%)	17.7	29.1	18.3	18.3	17.2	
India Foods - Foods & Sampann (d)	4230.0	4770.0	5749.0	6783.8	7869.2	
YoY (%)	15.4	12.8	20.5	18.0	16.0	
Capital Foods (e)	84.0	799.0	839.0	1006.8	1258.5	
YoY (%)	-	-	5.0	20.0	25.0	
International business	3925.0	4215.1	4885.0	5471.2	5854.2	11.6%
YoY (%)	9.4	7.4	15.9	12.0	7.0	
Non-branded & Others	1550.8	1860.2	2350.4	2718.9	2968.1	16.9%
YoY (%)	4.9	19.9	26.4	15.7	9.2	
Total Revenues	15205.8	17618.3	20290.4	23083.3	25885.7	13.7%
YoY (%)	10.3	15.9	15.2	13.8	12.1	

Source: Company, ICICI Direct Research

Financial summary

Exhibit 7: Profit and loss statement ₹ crore

(Year-end March)	FY24	FY25	FY26	FY27E	FY28E
Total Operating Income	15205.9	17618.3	20290.4	23083.3	25885.7
Growth (%)	10.3	15.9	15.2	13.8	12.1
Raw Material Expenses	8563.9	10069.3	11855.6	13122.9	14625.4
Gross Profit	6641.9	7549.0	8434.8	9960.4	11260.3
Gross Profit Margins (%)	43.7	42.8	41.6	43.2	43.5
Employee Expenses	1258.6	1430.1	1661.0	1827.1	2009.8
Advertisement expenses	988.4	1233.3	0.0	1731.2	1941.4
Other Expenditure	2110.9	2406.3	3982.0	3035.5	3365.1
Total Operating Expenditure	12921.8	15139.0	17498.6	19716.7	21941.8
EBITDA	2284.1	2479.4	2791.8	3366.6	3943.9
Growth (%)	23.0	8.5	12.6	20.6	17.1
Interest	129.8	290.2	137.0	148.3	116.4
Depreciation	377.2	380.7	406.7	440.1	461.3
Other Income	245.6	193.3	164.8	173.3	176.2
PBT	2022.8	2001.7	2412.8	2951.6	3542.4
Less Tax	479.8	531.5	596.9	824.6	978.2
Adjusted PAT	1543.0	1470.2	1815.9	2127.0	2564.2
Growth (%)	26.5	-4.7	23.5	17.1	20.6
Minority Interest/Profit or loss from Associates	-85.6	-93.2	-90.7	-50.0	-40.0
Adjusted PAT (after MI & share of profit from associates)	1457.4	1377.0	1725.2	2077.0	2524.2
Exceptional item - gain / (loss)	-242.0	-89.9	-178.4	-162.8	-162.8
Reported PAT	1215.4	1287.1	1546.8	1914.2	2361.4
Growth (%)	-8.0	5.9	20.2	23.8	23.4
EPS (Adjusted)	14.7	13.9	17.4	21.0	25.5

Source: Company, ICICI Direct Research

Exhibit 8: Cash flow statement ₹ crore

(Year-end March)	FY24	FY25	FY26	FY27E	FY28E
Profit/(Loss) after taxation	1297.4	1276.9	1651.1	1953.7	2387.9
Add: Depreciation & Amortization	377.2	380.7	406.7	440.1	461.3
Add: Other income	245.6	193.3	164.8	173.3	176.2
Net Increase in Current Assets	67.9	-1624.2	-317.3	-1131.7	-941.3
less: Net Increase in Current Liabilities	-427.8	-759.0	-442.5	-656.8	-591.2
CF from Operating activities	2415.8	985.7	2347.8	2092.2	2675.4
Investments & Bank bal	1685.1	238.0	-1048.2	-9.2	-33.8
(Purchase)/Sale of Fixed Assets	-766.2	-489.0	-895.2	-250.0	-250.0
Intangible assets & goodwill	-5793.6	-2028.9	-327.9	0.0	0.0
Others	0	0	0	0	0
CF from Investing activities	-4874.6	-2279.9	-2271.3	-259.2	-283.8
(inc)/Dec in Loan	3482.5	-1155.0	237.9	-1200.0	-500.0
Change in equity & reserves	-494.6	3325.1	972.3	-170.8	-159.5
Dividend paid	-738.4	-841.1	-989.6	-791.7	-791.7
Deferred tax liability & others	990.4	371.4	23.6	21.6	23.8
CF from Financing activities	3239.8	1700.4	244.1	-2140.8	-1427.4
Net Cash Flow	780.9	406.2	320.6	-307.8	964.3
Cash and Cash Equivalent	1538.8	2319.8	2725.9	3046.5	2738.7
Cash	2319.8	2725.9	3046.5	2738.7	3703.0
Free Cash Flow	1649.6	496.7	1452.6	1842.2	2425.4

Source: Company, ICICI Direct Research

Exhibit 9: Balance sheet ₹ crore

(Year-end March)	FY24	FY25	FY26	FY27E	FY28E
Equity Capital	95.3	99.0	99.0	99.0	99.0
Reserve and Surplus	15961.5	19902.1	21688.6	22811.1	24380.8
Total Shareholders funds	16056.8	20001.1	21787.5	22910.1	24479.7
Minority Interest	1379.3	1389.2	1401.3	1443.4	1486.7
Total Debt	5471.2	4316.1	4554.0	3354.0	2854.0
Deferred Tax Liability	1795.2	2187.38	2199.44	2199.44	2199.44
Long-Term Provisions	225.7	204.9	216.4	238.1	261.9
Total Liabilities	24928.2	28098.7	30158.7	30144.9	31281.7
Gross Block - Fixed Assets	4333.7	4410.3	5052.4	5302.4	5552.4
Accumulated Depreciation	1850.6	1836.1	2242.8	2682.9	3144.2
Net Block	2483.1	2574.1	2809.6	2619.5	2408.2
Capital WIP	189.6	206.8	459.9	459.9	459.9
Fixed Assets	2672.7	2780.9	3269.5	3079.4	2868.1
Goodwill & Other intangible assets	16660.1	18689.0	19016.9	19016.9	19016.9
Investments	846.7	890.0	1656.2	1689.3	1723.1
Inventory	2769.4	3599.9	3526.8	4426.9	4964.4
Debtors	896.8	869.8	1148.3	1138.4	1276.6
Other Current Assets	944.2	1586.8	1370.9	1508.0	1658.8
Loans & Advances	538.1	716.1	1043.9	1148.3	1263.1
Cash	2319.8	2725.9	3046.5	2738.7	3703.0
Bank balance / Current investments	373.3	91.9	373.9	350.0	350.0
Total Current Assets	7841.5	9590.5	10510.3	11310.2	13215.8
Creditors	2707.2	3508.4	3875.3	4490.2	5035.3
Provisions	163.0	150.2	186.3	204.9	225.4
Other Current Liabilities	222.6	193.2	232.7	255.9	281.5
Total Current Liabilities	3092.7	3851.8	4294.2	4951.0	5542.2
Net Current Assets	4748.7	5738.7	6216.1	6359.2	7673.6
Application of Funds	24928.2	28098.7	30158.7	30145.0	31281.7

Source: Company, ICICI Direct Research

Exhibit 10: Key ratios

(Year-end March)	FY24	FY25	FY26	FY27E	FY28E
Per share data (₹)					
Adjusted EPS	14.7	13.9	17.4	21.0	25.5
Cash EPS	20.2	18.7	22.5	25.9	30.6
BV per share	168.5	202.1	220.2	231.5	247.4
Operating Ratios (%)					
Gross Profit Margins	43.7	42.8	41.6	43.2	43.5
OPM	15.0	14.1	13.8	14.6	15.2
Adjusted PAT Margins	9.6	7.8	8.5	9.0	9.8
Asset Turnover (x)	1.4	1.5	1.7	1.9	2.0
Return Ratios (%)					
RoE	8.4	7.1	7.7	8.7	10.0
RoCE	9.2	7.7	8.5	10.0	11.7
RoCE (excluding goodwill)	16.1	14.6	11.0	12.8	14.8
RoIC	12.5	10.1	11.0	12.8	15.0
Valuation Ratios (x)					
P/E	76.9	84.5	67.5	56.0	46.1
EV / EBITDA	52.2	47.5	42.1	34.6	29.2
EV / Net Sales	7.8	6.7	5.8	5.1	4.4
Market Cap / Sales	7.7	6.6	5.7	5.0	4.5
Price to Book Value	7.0	5.8	5.3	5.1	4.8
Solvency Ratios					
Debt / EBITDA	2.4	1.7	1.6	1.0	0.7
Debt / Equity	0.3	0.2	0.2	0.1	0.1
Inventory days	66	75	70	70	70
Debtor days	22	18	18	18	18
Creditor days	65	73	71	71	71
WC Days	23	20	17	17	17

Source: Company, ICICI Direct Research

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Reduce: -15% to -5%;

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