

FMCG sector awaits demand recovery with the hope of a better monsoon aiding rural economy and expectations of a pro-consumption full budget. Rural demand recovery green shoots are in place and expected to see moderate improvement in Q1FY25. Full effect of tailwinds are to be felt in H2FY25, when growth is likely to see recovery. Key highlight for Q1 is a harsh summer, which is likely to benefit summer-centric portfolios, whereas select on-the-go consumption food categories are likely to take a beating. Lack of cooling infrastructure may limit growth for select FMCG names like Dabur and Nestlé. Hot beverages are also likely to have a demand effect. We see mid-single digit earnings growth for our FMCG coverage (driven by large-cap stocks), with limited margin expansion. With this report, we upgrade our rating for Colgate to REDUCE (limited downside), downgrade Bikaji to ADD (from Buy), and downgrade Marico to REDUCE (from Add). We now prefer Hindustan Unilever, Dabur, Honasa Consumer, and Emami in our coverage.

FMCG coverage to see mid-single digit growth with uptick in volume growth

Topline growth in Q1FY25 is likely to be volume-driven, where pricing is likely to be in the low-single digit decline to low-single digit growth. HUL is expected to clock 2.5% volume growth YoY, whereas players like Dabur, Nestlé, and Marico should see mid-single digit growth; Emami and GCPL could see high-single digit growth. Bikaji and Honasa are likely to see double-digit momentum with 15% and 23% YoY volume growth. For ITC, we expect 4% volume and 8% value growth YoY. From the competitive landscape, we see arrest in pressure from regional players as large players react in LUPs.

Margin-led earnings delivery to slowdown

With raw material price growth in the base and pass-through of price benefit in select categories, we see gross margin expansion to be limited (vs previous quarters). This, along with a higher need for A&P spends, is likely to limit EBITDA margin expansion. In our coverage, GCPL is likely to see >200bps YoY margin expansion with strategic actions in place to enhance profitability. Colgate and Honasa are other names that are likely to see >100bps YoY margin expansion. For other coverage companies, we see EBITDA margin expansion to be limited. EBITDA growth is likely to see moderation sequentially on a YoY basis, double-digit YoY growth should sustain for Nestlé (11%), GCPL (13%), Dabur (12%), Colgate (14%), Emami (12%), Honasa (44%), and Bikaji (35%).

Valuation factors are fundamental; re/de-rating hinge on external setting

FMCG sector valuations have seen re-rating post-Q4 results, with positive management commentary in demand outlook (given green shoots of rural demand recovery) and expectations of pro-consumption full budget. FMCG firms have rightfully enhanced execution, wherein distribution and brand communication get a boost. We continue to prefer companies with better execution and attractive valuations like Dabur, Honasa, and Emami. We prefer HUL primarily due to the expected improvement in external setting.

Nitin Gupta

nitin.gupta@emkayglobal.com

+91 22 6612 1257

Soham Samanta

soham.samanta@emkayglobal.com

+91 22 6612 1262

Q1FY25 growth (YoY) estimates

| | Sales | EBITDA | Earnings |
|--------|-------|--------|----------|
| ITC | 8% | 6% | 6% |
| HUL | 1% | 2% | 2% |
| NEST | 10% | 11% | 13% |
| BRIT | 4% | 5% | 4% |
| GCPL | 2% | 13% | 16% |
| DABUR | 6% | 12% | 12% |
| CLGT | 10% | 14% | 14% |
| MRCO | 4% | 6% | 5% |
| HMN | 9% | 12% | 11% |
| HONASA | 20% | 44% | 22% |
| Bikaji | 17% | 35% | 40% |

Source: Emkay Research

Rating, Target Price, and Valuation

| | Rating | CMP (Rs/sh) | TP (Rs/sh) | Upside (%) | P/E (x) | | EV/EBITDA (x) | |
|----------------------------|--------|----------------|---------------|---------------|---------|-------|---------------|-------|
| | | | | | FY25E | FY26E | FY25E | FY26E |
| Bikaji Foods International | ADD | 727 | 775 | 7 | 59.8 | 48.6 | 41.5 | 34.9 |
| Britannia Industries | ADD | 5,449 | 5,750 | 6 | 54.7 | 46.5 | 37.4 | 32.6 |
| Colgate-Palmolive | REDUCE | 2,879 | 2,525 | (12) | 51.1 | 47.5 | 35.6 | 33.0 |
| Dabur India | BUY | 610 | 700 | 15 | 49.8 | 42.0 | 37.5 | 31.6 |
| Emami | BUY | 736 | 850 | 15 | 39.0 | 35.3 | 28.8 | 25.8 |
| Godrej Consumer Products | ADD | 1,368 | 1,450 | 6 | 58.8 | 51.1 | 39.8 | 35.1 |
| Hindustan Unilever | BUY | 2,510 | 2,900 | 16 | 53.7 | 48.5 | 37.6 | 34.0 |
| Honasa Consumer | BUY | 435 | 525 | 21 | 92.3 | 60.8 | 63.2 | 41.0 |
| ITC | ADD | 428 | 470 | 10 | 24.2 | 22.2 | 18.7 | 17.2 |
| Nestlé India | ADD | 2,557 | 2,700 | 6 | 71.5 | 63.2 | 47.7 | 42.0 |

Source: Company, Emkay Research

This report is intended for team.emkay@whitemarquesolutions.com use and downloaded at 07/11/2024 02:28 PM

Emkay Research is also available on www.emkayglobal.com and Bloomberg EMKAY<GO> Please refer to the last page of the report on Restrictions on Distribution. In Singapore, this research report or research analyses may only be distributed to Institutional Investors, Expert Investors or Accredited Investors as defined in the Securities and Futures Act, Chapter 289 of Singapore. Refer to Important Disclosures at the end of this report

Quarterly trend and expectations

Exhibit 1: Q1FY25 expectations

| (Rs mn) | Total revenue | | | | | EBITDA | | | | | EBITDA margin | | | Adjusted PAT | | | | |
|--------------|---------------|---------|----------------|-----|-----|--------|--------|---------------|-----|------|---------------|--------|------------|--------------|--------|---------------|-----|------|
| | Q1FY24 | Q4FY24 | Q1FY25E | YoY | QoQ | Q1FY24 | Q4FY24 | Q1FY25E | YoY | QoQ | Q1FY24 | Q4FY24 | Q1FY25E | Q1FY24 | Q4FY24 | Q1FY25E | YoY | QoQ |
| ITC | 158,282 | 165,793 | 170,215 | 8% | 3% | 62,501 | 61,626 | 66,349 | 6% | 8% | 39% | 37% | 39% | 49,027 | 50,223 | 52,070 | 6% | 4% |
| HUL | 151,480 | 148,570 | 152,566 | 1% | 3% | 35,210 | 34,350 | 36,073 | 2% | 5% | 23% | 23% | 24% | 25,000 | 23,960 | 25,621 | 2% | 7% |
| Nestlé India | 46,585 | 52,676 | 51,015 | 10% | -3% | 10,588 | 13,385 | 11,800 | 11% | -12% | 23% | 25% | 23% | 7,008 | 9,138 | 7,935 | 13% | -13% |
| Britannia | 40,107 | 40,694 | 41,886 | 4% | 3% | 6,889 | 7,875 | 7,204 | 5% | -9% | 17% | 19% | 17% | 4,576 | 5,383 | 4,768 | 4% | -11% |
| GCPL | 34,489 | 33,856 | 35,124 | 2% | 4% | 6,428 | 7,557 | 7,281 | 13% | -4% | 19% | 22% | 21% | 4,132 | 5,740 | 4,796 | 16% | -16% |
| Dabur | 31,305 | 28,146 | 33,301 | 6% | 18% | 6,047 | 4,668 | 6,744 | 12% | 44% | 19% | 17% | 20% | 4,749 | 3,605 | 5,337 | 12% | 48% |
| Colgate | 24,770 | 22,780 | 25,793 | 4% | 13% | 5,740 | 4,420 | 6,113 | 6% | 38% | 23% | 19% | 24% | 4,270 | 3,180 | 4,476 | 5% | 41% |
| Marico | 13,237 | 14,900 | 14,560 | 10% | -2% | 4,181 | 5,322 | 4,747 | 14% | -11% | 32% | 36% | 33% | 2,932 | 3,798 | 3,357 | 14% | -12% |
| Emami | 8,257 | 8,912 | 8,996 | 9% | 1% | 1,900 | 2,110 | 2,132 | 12% | 1% | 23% | 24% | 24% | 1,448 | 1,545 | 1,611 | 11% | 4% |
| Honasa | 4,645 | 4,711 | 5,574 | 20% | 18% | 293 | 331 | 423 | 44% | 28% | 6% | 7% | 8% | 260 | 305 | 317 | 22% | 4% |
| Bikaji | 4,821 | 6,144 | 5,623 | 17% | -8% | 657 | 1,612 | 886 | 35% | -45% | 14% | 26% | 16% | 416 | 1,162 | 582 | 40% | -50% |

Source: Company, Emkay Research

Exhibit 2: Quarterly revenue growth (YoY) — Trend and expectations

| | Q1FY21 | Q2FY21 | Q3FY21 | Q4FY21 | Q1FY22 | Q2FY22 | Q3FY22 | Q4FY22 | Q1FY23 | Q2FY23 | Q3FY23 | Q4FY23 | Q1FY24 | Q2FY24 | Q3FY24 | Q4FY24 | Q1FY25E |
|-----------|---------------|--------------|--------|--------|--------------|--------|--------|--------|--------------|--------|--------|--------|--------------|--------------|--------------|--------------|--------------|
| ITC | -21.2% | -3.0% | 1.4% | 22.6% | 37.1% | 12.6% | 32.5% | 16.8% | 41.5% | 26.7% | 2.3% | 5.6% | -8.5% | 2.6% | 1.6% | 1.1% | 7.5% |
| HUL | 4.4% | 16.1% | 20.9% | 34.6% | 12.8% | 11.2% | 10.4% | 11.0% | 19.8% | 15.9% | 16.3% | 10.6% | 6.1% | 2.5% | -0.3% | -0.2% | 0.7% |
| Nestlé | 2.0% | 10.2% | 9.2% | 8.9% | 13.8% | 9.6% | 8.7% | 9.7% | 15.7% | 18.2% | 14.0% | 21.7% | 15.3% | 9.7% | 8.3% | 9.0% | 9.5% |
| Britannia | 26.7% | 12.1% | 6.1% | 9.2% | -0.5% | 5.5% | 12.9% | 13.4% | 8.7% | 21.4% | 17.4% | 13.3% | 8.4% | 1.2% | 1.4% | 1.1% | 4.4% |
| GCPL | -0.9% | 10.8% | 10.0% | 26.8% | 24.4% | 8.5% | 8.1% | 6.8% | 8.0% | 7.2% | 9.0% | 9.8% | 10.4% | 6.2% | 1.7% | 5.8% | 1.8% |
| Dabur | -12.9% | 13.7% | 16.0% | 25.3% | 31.9% | 12.0% | 7.8% | 7.7% | 8.1% | 6.0% | 3.4% | 6.4% | 10.9% | 7.3% | 7.0% | 5.1% | 6.4% |
| Colgate | -4.1% | 5.2% | 7.4% | 19.8% | 12.0% | 5.2% | 3.9% | 1.4% | 2.6% | 2.6% | 0.9% | 3.8% | 10.6% | 6.0% | 8.1% | 10.3% | 10.0% |
| Marico | -11.1% | 8.7% | 16.3% | 34.5% | 31.2% | 21.6% | 13.4% | 7.4% | 1.3% | 3.2% | 2.6% | 3.7% | -3.2% | -0.8% | -1.9% | 1.7% | 4.1% |
| Emami | -25.8% | 11.3% | 14.9% | 37.2% | 37.3% | 7.1% | 4.1% | 5.4% | 17.8% | 3.4% | 1.1% | 8.5% | 6.1% | 6.3% | 1.4% | 6.6% | 9.0% |
| Honasa | | | | | | | | | | | | | 48.8% | 20.9% | 27.8% | 21.5% | 20.0% |
| Bikaji | | | | | | | | | 25.5% | 31.8% | 15.7% | 15.5% | 15.0% | 5.5% | 22.9% | 32.9% | 16.7% |

Source: Company, Emkay Research

Exhibit 3: Volume growth — Trend for the FMCG sector and key FMCG companies

| (%) | All India (Urban + Rural) | | | Volume growth | | Volume growth for staples | | | | | | | |
|----------------|---------------------------|-------------|--------------|---------------|-------------|---------------------------|-------------|-------------|--------------|-------------|-------------|--------------|---------------------------|
| | Value | Price | Volume | Urban | Rural | Britannia | Colgate | Dabur | Emami | GCPL | HUL | Marico | Nestlé India [^] |
| Q1FY19 | 11.2 | 2.4 | 8.6 | | | 12.5 | 4.0 | 21.0 | 21.0 | 14.0 | 12.0 | 12.4 | 11.5 |
| Q2FY19 | 16.9 | 3.1 | 13.4 | | | 12.0 | 7.0 | 8.1 | -4.0 | 5.0 | 10.0 | 6.0 | 15.3 |
| Q3FY19 | 16.3 | 3.8 | 12.0 | 10.0 | 14.0 | 7.0 | 7.0 | 12.4 | 3.5 | 1.0 | 10.0 | 5.0 | 11.5 |
| Q4FY19 | 14.0 | 3.6 | 10.0 | 9.0 | 11.0 | 7.0 | 5.0 | 4.3 | 0.0 | 1.0 | 7.0 | 8.0 | 9.3 |
| Q1FY20 | 10.2 | 3.8 | 6.2 | 6.0 | 6.0 | 3.0 | 4.0 | 9.6 | 2.0 | 5.0 | 5.0 | 6.0 | 12.3 |
| Q2FY20 | 7.3 | 3.3 | 3.9 | 5.4 | 1.8 | 3.0 | 4.0 | 4.8 | 2.9 | 7.0 | 5.0 | 1.0 | 8.8 |
| Q3FY20 | 6.6 | 3.0 | 3.5 | 4.6 | 2.1 | 2.0 | 2.3 | 5.6 | -1.0 | 7.0 | 5.0 | -1.0 | 8.2 |
| Q4FY20 | 6.3 | 3.1 | 3.1 | | | 0.0 | -8.0 | -14.6 | -18.0 | -15.0 | -7.0 | -3.0 | 8.2 |
| Q1FY21 | -18.7 | -5.4 | -14.1 | -17.9 | -9.2 | 21.5 | -7.0 | -9.7 | -28.0 | 3.0 | -8.0 | -14.0 | -0.3 |
| Q2FY21 | 0.9 | -0.7 | 1.6 | -4.3 | 8.9 | 8.0 | 3.0 | 16.8 | 10.0 | 5.0 | 1.0 | 11.0 | 6.5 |
| Q3FY21 | 7.1 | -0.2 | 7.3 | 4.3 | 11.4 | 4.0 | 5.0 | 18.2 | 13.0 | 7.0 | 4.0 | 15.0 | 7.8 |
| Q4FY21 | 9.5 | 1.4 | 8.0 | 6.5 | 10.0 | 8.0 | 14.0 | 25.4 | 36.0 | 29.0 | 16.0 | 25.0 | 9.1 |
| Q1FY22 | 36.9 | 13.0 | 21.1 | 24.4 | 17.2 | 1.0 | 11.0 | 34.4 | 38.0 | 15.0 | 9.0 | 21.0 | 13.0 |
| Q2FY22 | 13.2 | 11.6 | 1.4 | 4.6 | -2.5 | 2.0 | 4.5 | 10.0 | 5.5 | 4.0 | 4.0 | 8.0 | 8.9 |
| Q3FY22 | 9.6 | 12.5 | -2.6 | -0.8 | -4.8 | 5.0 | 3.0 | 2.0 | 0.0 | 0.0 | 2.0 | 0.0 | 8.0 |
| Q4FY22 | 6.0 | 10.5 | -4.1 | -3.1 | -5.3 | 4.0 | -3.0 | 2.0 | 0.0 | -3.0 | 0.0 | 1.0 | 7.0 |
| Q1FY23 | 10.9 | 11.7 | -0.7 | 0.6 | -2.4 | -2.0 | -2.5 | 5.0 | 8.0 | -6.2 | 6.0 | -6.0 | 7.9 |
| Q2FY23 | 9.2 | 9.9 | -0.6 | 1.7 | -3.6 | 5.0 | -3.0 | 1.0 | -1.2 | -5.0 | 4.0 | 3.0 | 9.0 |
| Q3FY23 | 7.6 | 7.9 | -0.3 | 1.7 | -2.8 | 1.0 | -2.5 | -3.0 | -3.9 | 2.0 | 5.0 | 4.0 | 3.0 |
| Q4FY23 | 10.2 | 6.9 | 3.1 | 5.3 | 0.3 | 1.0 | -1.5 | 0.0 | 2.0 | 13.0 | 4.0 | 5.0 | 9.0 |
| Q1FY24 | 12.2 | 4.4 | 7.5 | 5.4 | 8.5 | 0.0 | 5.0 | 3.0 | 3.0 | 10.0 | 3.0 | 3.0 | 4.6 |
| Q2FY24 | 9.0 | 0.3 | 8.6 | 10.2 | 6.4 | 0.2 | 0.0 | 3.0 | 2.0 | 4.0 | 2.0 | 3.0 | 4.7 |
| Q3FY24 | 6.0 | -0.4 | 6.4 | 6.8 | 5.8 | 5.5 | -1.0 | 4.0 | -0.9 | 5.0 | 2.0 | 2.0 | 4.0 |
| Q4FY24 | 6.6 | 0.1 | 6.5 | 5.7 | 7.6 | 6.0 | 2.0 | 4.2 | 2.0 | 7.0 | 2.0 | 3.0 | 4.0 |
| Q1FY25E | NA | NA | NA | NA | NA | 6.0 | 2.0 | 5.0 | 7.0 | 7.0 | 2.5 | 4.6 | 5.0 |

Source: Media, Emkay Research; Note: All-India sector growth and volumes in urban and rural are based on data from AC Nielsen

Exhibit 4: Domestic volume growth — Trend and expectations

| | Q1FY21 | Q2FY21 | Q3FY21 | Q4FY21 | Q1FY22 | Q2FY22 | Q3FY22 | Q4FY22 | Q1FY23 | Q2FY23 | Q3FY23 | Q4FY23 | Q1FY24 | Q2FY24 | Q3FY24 | Q4FY24 | Q1FY25E |
|--------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| ITC (Cig) | -40% | -13% | -8% | 8% | 33% | 9% | 13% | 9% | 25% | 20% | 13% | 13% | 8% | 4% | -2% | 2% | 4% |
| HUL | -8% | 1% | 4% | 16% | 9% | 4% | 2% | 0% | 6% | 4% | 5% | 4% | 3% | 2% | 2% | 2% | 3% |
| Nestlé India | -11% | 6% | 9% | 10% | 25% | 6% | 5% | 8% | 7% | 9% | -1% | 3% | 1% | 1% | 1% | 4% | 5% |
| Britannia | 22% | 8% | 4% | 8% | 1% | 2% | 5% | 4% | -2% | 5% | 1% | 1% | 0% | 0% | 6% | 6% | 6% |
| GCPL | 3% | 5% | 7% | 29% | 15% | 4% | 0% | -3% | -6% | -5% | 2% | 13% | 10% | 4% | 5% | 15% | 7% |
| Colgate | -7% | 3% | 5% | 14% | 11% | 5% | 3% | -3% | -3% | -3% | -3% | -2% | 5% | 0% | -1% | 2% | 2% |
| Dabur | -10% | 17% | 18% | 25% | 34% | 10% | 2% | 2% | 5% | 1% | -3% | 0% | 3% | 3% | 4% | 4% | 5% |
| Marico | -14% | 11% | 15% | 25% | 21% | 8% | 0% | 1% | -6% | 3% | 4% | 5% | 3% | 3% | 2% | 3% | 5% |
| Emami | -28% | 10% | 13% | 39% | 38% | 6% | 0% | 0% | 8% | -1% | -4% | 2% | 3% | 2% | -2% | 6% | 7% |
| Honasa | | | | | | | | | | | | | 43% | 27% | 35% | 28% | 23% |
| Bikaji | | | | | | | | | | | | 13% | 15% | 5% | 29% | 15% | 15% |

Source: Company, Emkay Research

Exhibit 5: Quarterly EBITDA margin — Trend and expectations

| | Q1FY21 | Q2FY21 | Q3FY21 | Q4FY21 | Q1FY22 | Q2FY22 | Q3FY22 | Q4FY22 | Q1FY23 | Q2FY23 | Q3FY23 | Q4FY23 | Q1FY24 | Q2FY24 | Q3FY24 | Q4FY24 | Q1FY25E |
|-----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| ITC | 29.7% | 36.1% | 36.0% | 33.6% | 32.7% | 36.3% | 32.2% | 33.6% | 32.7% | 36.4% | 38.4% | 37.9% | 39.5% | 36.5% | 36.5% | 37.2% | 39.0% |
| HUL | 25.0% | 25.1% | 24.1% | 24.4% | 23.9% | 24.6% | 25.0% | 24.1% | 22.8% | 22.9% | 23.2% | 23.3% | 23.2% | 23.4% | 23.3% | 23.1% | 23.6% |
| Nestlé | 24.9% | 25.4% | 22.1% | 25.8% | 24.1% | 24.6% | 22.7% | 23.6% | 21.2% | 22.3% | 23.1% | 23.1% | 22.9% | 24.5% | 24.3% | 25.4% | 23.1% |
| Britannia | 21.0% | 19.8% | 19.3% | 16.1% | 16.3% | 15.5% | 15.1% | 15.5% | 13.5% | 16.3% | 19.5% | 19.9% | 17.2% | 19.7% | 19.3% | 19.4% | 17.2% |
| GCPL | 20.3% | 23.1% | 22.7% | 20.1% | 20.7% | 20.8% | 20.2% | 16.7% | 16.7% | 16.0% | 20.2% | 20.0% | 18.6% | 19.5% | 23.0% | 22.3% | 20.7% |
| Dabur | 21.0% | 22.6% | 21.0% | 18.9% | 21.1% | 22.0% | 21.3% | 18.0% | 19.3% | 20.1% | 20.0% | 15.3% | 19.3% | 20.6% | 20.5% | 16.6% | 20.3% |
| Colgate | 29.6% | 31.8% | 30.1% | 32.9% | 30.5% | 29.6% | 29.7% | 33.0% | 27.2% | 29.4% | 28.0% | 33.5% | 31.6% | 32.8% | 33.6% | 35.7% | 32.6% |
| Marico | 24.3% | 19.6% | 19.5% | 15.9% | 19.0% | 17.5% | 17.9% | 16.0% | 20.6% | 17.3% | 18.5% | 17.5% | 23.2% | 20.1% | 21.2% | 19.4% | 23.7% |
| Emami | 25.5% | 35.0% | 36.4% | 22.3% | 25.7% | 35.2% | 35.1% | 21.3% | 22.3% | 24.0% | 29.9% | 23.9% | 23.0% | 27.0% | 31.6% | 23.7% | 23.7% |
| Honasa | | | | | | | | | -4.0% | 6.4% | 3.1% | -0.8% | 6.3% | 8.1% | 7.1% | 7.0% | 7.6% |
| Bikaji^ | | | | | 7.8% | 10.4% | 5.5% | 10.9% | 7.3% | 11.1% | 10.4% | 13.4% | 13.6% | 14.4% | 12.0% | 26.2% | 15.8% |

Source: Company, Emkay Research; Note: ^for Bikaji, PLI benefit accounted from Q4FY24

Exhibit 6: Quarterly EBITDA growth – Trend and expectations

| | Q1FY21 | Q2FY21 | Q3FY21 | Q4FY21 | Q1FY22 | Q2FY22 | Q3FY22 | Q4FY22 | Q1FY23 | Q2FY23 | Q3FY23 | Q4FY23 | Q1FY24 | Q2FY24 | Q3FY24 | Q4FY24 | Q1FY25E |
|-----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| ITC | -42% | -10% | -6% | 7% | 51% | 13% | 18% | 17% | 41% | 27% | 22% | 19% | 11% | 3% | -3% | -1% | 6% |
| HUL | 4% | 17% | 17% | 43% | 8% | 9% | 15% | 10% | 14% | 8% | 8% | 7% | 8% | 5% | 0% | -1% | 2% |
| Nestlé | 7% | 18% | 13% | 16% | 10% | 6% | 11% | 0% | 2% | 7% | 16% | 19% | 25% | 21% | 14% | 21% | 11% |
| Britannia | 82% | 37% | 22% | 11% | -23% | -17% | -12% | 9% | -10% | 27% | 51% | 46% | 38% | 23% | 0% | -2% | 5% |
| GCPL | 4% | 17% | 8% | 15% | 27% | -2% | -4% | -11% | -13% | -18% | 9% | 31% | 23% | 30% | 16% | 18% | 13% |
| Dabur | -9% | 16% | 16% | 26% | 33% | 9% | 9% | 3% | -2% | -3% | -3% | -10% | 11% | 10% | 10% | 14% | 12% |
| Marico | 1% | 10% | 11% | 13% | 3% | 9% | 4% | 8% | 10% | 2% | 6% | 14% | 9% | 15% | 13% | 12% | 6% |
| Colgate | 5% | 27% | 17% | 60% | 15% | -2% | 3% | 2% | -8% | 2% | -5% | 5% | 28% | 18% | 30% | 18% | 14% |
| Emami | -8% | 30% | 29% | 65% | 38% | 8% | 0% | 1% | 2% | -30% | -14% | 22% | 10% | 20% | 7% | 6% | 12% |
| Honasa | | | | | | | | | | | | | NM | 53% | 192% | NM | 44% |
| Bikaji | | | | | | | | | 18% | 41% | 118% | 42% | 114% | 37% | 42% | 161% | 35% |

Source: Company, Emkay Research

Exhibit 7: Quarterly earnings growth – Trend and expectations

| | Q1FY21 | Q2FY21 | Q3FY21 | Q4FY21 | Q1FY22 | Q2FY22 | Q3FY22 | Q4FY22 | Q1FY23 | Q2FY23 | Q3FY23 | Q4FY23 | Q1FY24 | Q2FY24 | Q3FY24 | Q4FY24 | Q1FY25E |
|-----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| ITC | -26% | -19% | -14% | -5% | 29% | 14% | 13% | 16% | 38% | 21% | 21% | 19% | 18% | 10% | 2% | 0% | 6% |
| HUL | 7% | 11% | 15% | 43% | 4% | 7% | 17% | 9% | 17% | 9% | 13% | 8% | 9% | 7% | -2% | -3% | 2% |
| Nestlé | 11% | -1% | 0% | 13% | 7% | 4% | 20% | -1% | 2% | 8% | 12% | 25% | 30% | 24% | 19% | 22% | 13% |
| Britannia | 105% | 23% | 22% | -3% | -29% | -23% | -18% | 4% | -13% | 28% | 50% | 47% | 36% | 19% | 0% | -4% | 4% |
| GCPL | 2% | 19% | 14% | 20% | 38% | 5% | -1% | -4% | -17% | -21% | 13% | 29% | 19% | 18% | 6% | 22% | 16% |
| Dabur | -10% | 11% | 19% | 28% | 28% | 5% | 2% | 0% | 1% | -3% | -5% | -18% | 8% | 7% | 10% | 16% | 12% |
| Colgate | 17% | 20% | 25% | 64% | 18% | -2% | 2% | 3% | -7% | 3% | -4% | 9% | 35% | 22% | 36% | 19% | 14% |
| Marico | -3% | 20% | 13% | 17% | 12% | 4% | 1% | 5% | 4% | -3% | 6% | 12% | 15% | 17% | 17% | 13% | 5% |
| Emami | -10% | 29% | 29% | 97% | 49% | 9% | 4% | -10% | -11% | -29% | -16% | 27% | 30% | 19% | 11% | 0% | 11% |
| Honasa | | | | | | | | | | | | | NM | 73% | 174% | NA | 22% |
| Bikaji | | | | | | | | | NA | 46% | 195% | NA | 156% | 47% | 47% | 208% | 40% |

Source: Company, Emkay Research

Q1FY25 expectations

Exhibit 8: Q1FY25 expectations for our coverage companies

| (Rs mn) | Q1FY24 | Q4FY24 | Q1FY25E | YoY | QoQ | Comment |
|------------------------------|---------|---------|---------|---------|---------|---|
| ITC (Standalone) | | | | | | |
| Revenue | 158,282 | 165,793 | 170,215 | 8% | 3% | <ul style="list-style-type: none"> ■ For cigarettes, we see gross revenue growth at ~9% with ~4% volume growth. Recovery of volume growth in the northern market is likely to help. Ahead of the budget, any trade stocking is likely to aid volume further. Segment EBIT margin is likely to see 155bps contraction YoY (to 72.6%) on the back of inflationary raw material pressures. ■ Other FMCG is likely to maintain high-single digit growth, and EBITDA margin is likely to expand by 50bps YoY to 11.5%. Hotels remain on firm footing with 13% topline growth and margins at ~34%. Paper is likely to remain under cyclical pressure with 5% growth and margins at 17%. For the Agri businesses, we see 10% growth and expect margins at ~7%. ■ Overall revenue growth is likely to be ~8% and earnings growth is expected at ~6%. |
| Gross margin | 59.5% | 59.9% | 59.4% | -10 bps | -50 bps | |
| EBITDA | 62,501 | 61,626 | 66,349 | 6% | 8% | |
| EBITDA margin | 39.5% | 37.2% | 39.0% | -50 bps | 180 bps | |
| PBT | 65,456 | 65,338 | 69,426 | 6% | 6% | |
| Adj. PAT | 49,027 | 50,223 | 52,070 | 6% | 4% | |
| EPS (Rs) | 3.94 | 4.02 | 4.17 | 6% | 4% | |
| HUL (Standalone) | | | | | | |
| Revenue | 151,480 | 148,570 | 152,566 | 1% | 3% | <ul style="list-style-type: none"> ■ Amid a stable demand setting, HUL is likely to see moderate sequential improvement in growth. We build ~1% topline growth with 2.5% volume growth. ■ Harsh summer is likely to have an impact on the Food portfolio, where tea, coffee, and functional nutrition drinks categories are likely to have a bearing. On the back of price correction in soaps, and the anniversarization of price hikes in nutritional drinks, price decline is likely to be in the low-single digits. Gross margin is likely to see moderation QoQ, but should expand by 160bps YoY to 51.5%. ■ EBITDA margin is likely to see 40bps YoY expansion to 23.6%. Earnings are likely to remain muted at ~2%. |
| Gross margin | 49.9% | 51.9% | 51.5% | 160 bps | -30 bps | |
| EBITDA | 35,210 | 34,350 | 36,073 | 2% | 5% | |
| EBITDA margin | 23.2% | 23.1% | 23.6% | 40 bps | 50 bps | |
| PBT | 34,020 | 32,640 | 34,623 | 2% | 6% | |
| Adj. PAT | 25,000 | 23,960 | 25,621 | 2% | 7% | |
| EPS (Rs) | 10.64 | 10.20 | 10.90 | 2% | 7% | |
| Marico (Consolidated) | | | | | | |
| Revenue | 24,770 | 22,780 | 25,793 | 4% | 13% | <ul style="list-style-type: none"> ■ We expect 3% domestic business growth with 5% growth in Parachute (2% volume growth), see a sales decline of 4% for VAHO (flat volume YoY), and an 11% decline in edible oils (4% volume growth). ■ International reported growth is likely to remain in the high-single digits. Overall sales growth is likely to be ~4%. Gross margin, on a high base, is likely to see 100bps expansion to 51%. We see 9% A&P spending for Q1, up by 45bps, and an 11% increase in absolute spending. ■ We see earnings growth in the mid-single digits. |
| Gross margin | 50.0% | 51.6% | 51.0% | 100 bps | -60 bps | |
| EBITDA | 5,740 | 4,420 | 6,113 | 6% | 38% | |
| EBITDA margin | 23.2% | 19.4% | 23.7% | 50 bps | 430 bps | |
| PBT | 5,670 | 3,990 | 6,007 | 6% | 51% | |
| Adj. PAT | 4,270 | 3,180 | 4,476 | 5% | 41% | |
| EPS (Rs) | 3.31 | 2.47 | 3.47 | 5% | 41% | |

Source: Company, Emkay Research

Exhibit 9: Q1FY25 expectations for our coverage companies

| (Rs mn) | Q1FY24 | Q4FY24 | Q1FY25E | YoY | QoQ | Comment |
|-------------------------------------|--------|--------|---------|---------|----------|---|
| Britannia (Consolidated) | | | | | | |
| Revenue | 40,107 | 40,694 | 41,886 | 4% | 3% | <ul style="list-style-type: none"> ■ We expect mid-single digit topline growth for Q1FY25, where domestic revenue growth is likely to be ~3.5% (aided by 6% volume growth). Amid the harsh summer, we see out-of-consumption be impacted, where Britannia will have a volume impact. ■ Price actions in select SKUs are likely to arrest competition and aid the company in gaining market share. As the company has affected price actions, we see a 45bps YoY gross margin contraction to 41.5%. ■ EBITDA margin is likely to remain flat YoY in a seasonally-low margin quarter at 17.2%. ■ Earnings delivery is likely to be muted at ~4% on a high base. |
| Gross margin | 41.9% | 44.9% | 41.5% | -40 bps | -340 bps | |
| EBITDA | 6,889 | 7,875 | 7,204 | 5% | -9% | |
| EBITDA margin | 17.2% | 19.4% | 17.2% | 0 bps | -220 bps | |
| PBT | 6,190 | 7,384 | 6,469 | 4% | -12% | |
| Adj PAT | 4,576 | 5,383 | 4,768 | 4% | -11% | |
| EPS (Rs) | 18.99 | 22.34 | 19.77 | 4% | -12% | |
| GCPL (Consolidated) | | | | | | |
| Revenue | 34,489 | 33,856 | 35,124 | 2% | 4% | <ul style="list-style-type: none"> ■ We see 2% consolidated revenue growth for GCPL in Q1FY25, where domestic revenue is likely to see gain of 10% (with mid-single digit organic sales growth). ■ In India, we see broad-based growth with pressure on HI from the harsh summer and the delayed launch of a new liquid vaporizer. In Personal care, we have noticed price actions from the company. Indonesia is on a high base and likely to report mid-single digit value growth. For the Africa cluster, we see a 25% topline decline on the back of multiple actions. ■ Overall EBITDA is likely to grow in the low teens with low-double digit growth in India, mid-teen growth in Indonesia, and high-teen growth in the Africa cluster. |
| Gross margin | 53.7% | 56.1% | 54.5% | 80 bps | -160 bps | |
| EBITDA | 6,428 | 7,557 | 7,281 | 13% | -4% | |
| EBITDA margin | 18.6% | 22.3% | 20.7% | 210 bps | -160 bps | |
| PBT | 5,617 | 6,912 | 6,481 | 15% | -6% | |
| Adj. PAT | 4,132 | 5,740 | 4,796 | 16% | -16% | |
| EPS (Rs) | 4.04 | 5.61 | 4.69 | 16% | -16% | |
| Colgate (Standalone) | | | | | | |
| Revenue | 13,237 | 14,900 | 14,560 | 10% | -2% | <ul style="list-style-type: none"> ■ We expect 2% volume growth and 8% price growth. In Toothpaste, we continue to see price hikes for a part of the portfolio. Last year, the company relaunched Colgate Strong Teeth that led to a volume jump (high-single-digit growth in Q1FY24). ■ Our ground checks suggest improved traction, where the company is using incremental margin benefits to incentivize trade. We see a gross margin expansion of ~160bps YoY to 70%. Healthy A&P spends (expect 16% YoY increase in absolute spending) to partly absorb gross margin benefits. ■ EBITDA margin is likely to expand 100bps YoY. Earnings growth is likely to be ~14-15% in Q1FY25. |
| Gross margin | 68.4% | 69.3% | 70.0% | 160 bps | 70 bps | |
| EBITDA | 4,181 | 5,322 | 4,747 | 14% | -11% | |
| EBITDA margin | 31.6% | 35.7% | 32.6% | 100 bps | -310 bps | |
| PBT | 3,883 | 5,114 | 4,506 | 16% | -12% | |
| Adj. PAT | 2,932 | 3,798 | 3,357 | 14% | -12% | |
| EPS (Rs) | 10.78 | 13.96 | 12.34 | 14% | -12% | |
| Honasa Consumer (Standalone) | | | | | | |
| Revenue | 4,645 | 4,711 | 5,574 | 20% | 18% | <ul style="list-style-type: none"> ■ Honasa is likely to see 20% revenue growth, aided by faster growth in the new brands. Our checks suggest a healthy offtake of The Derma Co in offline channels. Given that the company has a high mix in H1 (as its hero categories are summer-centric like face wash, sunscreen, and shampoo), we expect the harsh summer to be supportive in Q1. ■ As the company continues to shift from Super Stockist to direct distribution, Mamaearth brand to have a bearing on its growth. Implementation of Botree is likely to help in data analytics, better control of inventory, and arresting of channel leakages. ■ We expect the margin profile to see a 130bps improvement to ~7.6%. EBITDA growth is likely to be ~44%, whereas one-off other income (in Q1FY24) is likely to keep earnings growth at 22% YoY. |
| Gross margin | 71.0% | 70.0% | 71.0% | 0 bps | 100 bps | |
| EBITDA | 293 | 331 | 423 | 44% | 28% | |
| EBITDA margin | 6.3% | 7.0% | 7.6% | 130 bps | 60 bps | |
| PBT | 340 | 393 | 423 | 24% | 8% | |
| Adj. PAT | 260 | 305 | 317 | 22% | 4% | |
| EPS (Rs) | 0.19 | 0.94 | 0.23 | 22% | -75% | |

Source: Company, Emkay Research

Emkay Research is also available on www.emkayglobal.com and Bloomberg EMKAY<GO>. Please refer to the last page of the report on Restrictions on Distribution. In Singapore, this research report or research analyses may only be distributed to Institutional Investors, Expert Investors or Accredited Investors as defined in the Securities and Futures Act, Chapter 289 of Singapore.

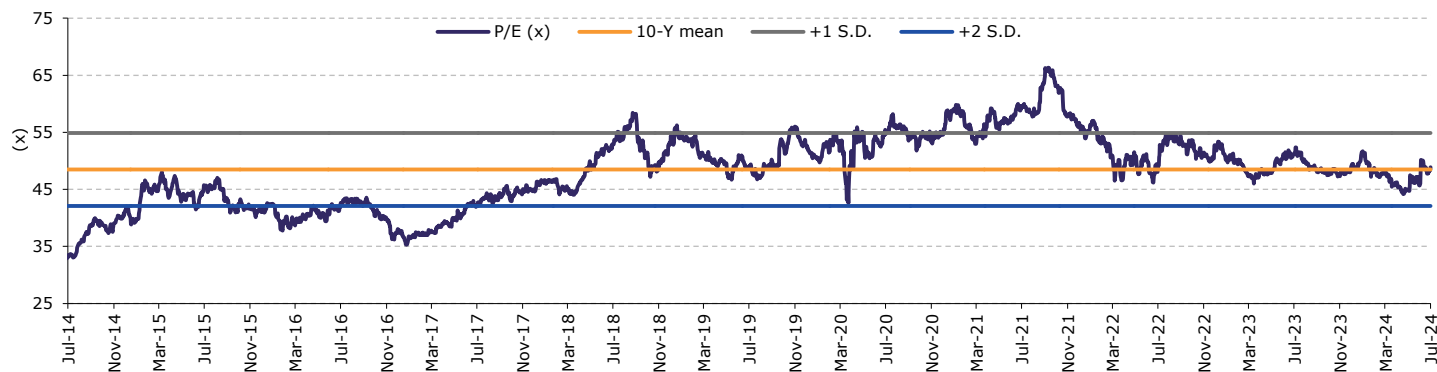
Exhibit 10: Q1FY25 expectations for our coverage companies

| (Rs mn) | Q1FY24 | Q4FY24 | Q1FY25E | YoY | QoQ | Comment |
|----------------------------------|--------|--------|---------|---------|-----------|--|
| Emami (Consolidated) | | | | | | |
| Revenue | 8,257 | 8,912 | 8,996 | 9% | 1% | <ul style="list-style-type: none"> In a seasonally-strong quarter, its summer-centric portfolio is likely to report high-teen growth. Navratna and Cool Talc (with Dermicool) are likely to have 32% and 11% revenue contributions in Q1FY25. Premium discretionary segments like Kesh King and Fair and Handsome are likely to remain under pressure with revenue decline in mid-single digits. A harsh summer has a bearing on the pain management portfolio, we see flat YoY sales. We see a gross margin expansion of ~150bps YoY to 67%. Given the higher thrust on A&P spending (+19% YoY in absolute term), we see EBITDA margin expansion to be limited at ~70bps YoY to 23.7%. Earnings is likely to expand 11% YoY. |
| Gross margin | 65.4% | 65.8% | 66.9% | 150 bps | 110 bps | |
| EBITDA | 1,900 | 2,110 | 2,132 | 12% | 1% | |
| EBITDA margin | 23.0% | 23.7% | 23.7% | 70 bps | 0 bps | |
| PBT | 1,733 | 1,940 | 1,960 | 13% | 1% | |
| Adj. PAT | 1,448 | 1,545 | 1,611 | 11% | 4% | |
| EPS (Rs) | 3.30 | 3.50 | 3.64 | 10% | 4% | |
| Bikaji (Consolidated) | | | | | | |
| Revenue | 4,821 | 6,144 | 5,623 | 17% | -8% | <ul style="list-style-type: none"> We expect low-teen net sales growth in Q1FY25, driven by volume growth. A harsh summer in its core markets (Rajasthan and Bihar) will likely have a bearing on its sales, where on-the-go consumption has been impacted. Given that ~59% of sales are driven from family packs (for FY24), we expect the company to do relatively better in this category. With PLI benefits, the reported topline growth is likely to be at ~17%. We see the gross margin profile (adj. for PLI benefits) to remain stable QoQ at ~33%. EBITDA margin adjusted for PLI is likely to be ~13.7%. Reported EBITDA margin with PLI benefits to be at ~15.8%. We see reported earnings growth to be healthy at ~40%. |
| Gross margin | 32.8% | 43.2% | 34.6% | 180 bps | -860 bps | |
| EBITDA | 657 | 1,612 | 886 | 35% | -45% | |
| EBITDA margin | 13.6% | 26.2% | 15.8% | 210 bps | -1050 bps | |
| PBT | 558 | 1,547 | 776 | 39% | -50% | |
| Adj. PAT | 416 | 1,162 | 582 | 40% | -50% | |
| EPS (Rs) | 1.67 | 4.64 | 2.33 | 40% | -50% | |
| Dabur (Consolidated) | | | | | | |
| Revenue | 31,305 | 28,146 | 33,301 | 6% | 18% | <ul style="list-style-type: none"> We see 6% revenue growth with domestic volume growth at ~5%. Summer-centric beverages portfolio is likely to grow in the high-single digits, where we see pressure from high heat and limited access to visi coolers. The hair oil category is expected to see flat sales as competition remains high at the bottom of the pyramid. Oral care will likely sustain double-digit growth, where the company has affected price hikes. Digestives are also likely to sustain double-digit growth momentum. We see mid-single digit growth in the international business. We see gross margin expansion of 140bps YoY to 48%. A&P spends to expand 14% YoY. Overall EBITDA margin to be at ~20%, with expansion of 90bps YoY. We see EBITDA/earnings growth to be at 12% YoY. |
| Gross margin | 46.6% | 48.6% | 48.0% | 140 bps | -60 bps | |
| EBITDA | 6,047 | 4,668 | 6,744 | 12% | 44% | |
| EBITDA margin | 19.3% | 16.6% | 20.3% | 90 bps | 370 bps | |
| PBT | 6,154 | 4,749 | 6,944 | 13% | 46% | |
| Adj. PAT | 4,749 | 3,605 | 5,337 | 12% | 48% | |
| EPS (Rs) | 2.68 | 2.03 | 3.01 | 12% | 48% | |
| Nestlé India (Standalone) | | | | | | |
| Revenue | 46,585 | 52,676 | 51,015 | 10% | -3% | <ul style="list-style-type: none"> We expect 10% YoY net sales growth in Q1, driven by healthy realization gains. Domestic growth is likely to be 10% with ~5% underlying volume growth. Exports on a high base are likely to see moderate to mid-single digit growth. Gross margin is likely to remain stable YoY with 20bps improvement. The company has effectively passed on raw material inflation with price hikes for coffee and baby foods. We expect EBITDA margin at ~23.3%, up 30bps YoY. We see earnings growth to be at ~13%. |
| Gross margin | 54.8% | 56.8% | 55.0% | 20 bps | -180 bps | |
| EBITDA | 10,588 | 13,385 | 11,800 | 11% | -12% | |
| EBITDA margin | 22.7% | 25.4% | 23.1% | 40 bps | -230 bps | |
| PBT | 9,427 | 12,302 | 10,650 | 13% | -13% | |
| Adj. PAT | 7,008 | 9,138 | 7,935 | 13% | -13% | |
| EPS (Rs) | 7.27 | 9.53 | 8.22 | 13% | -14% | |

Source: Company, Emkay Research

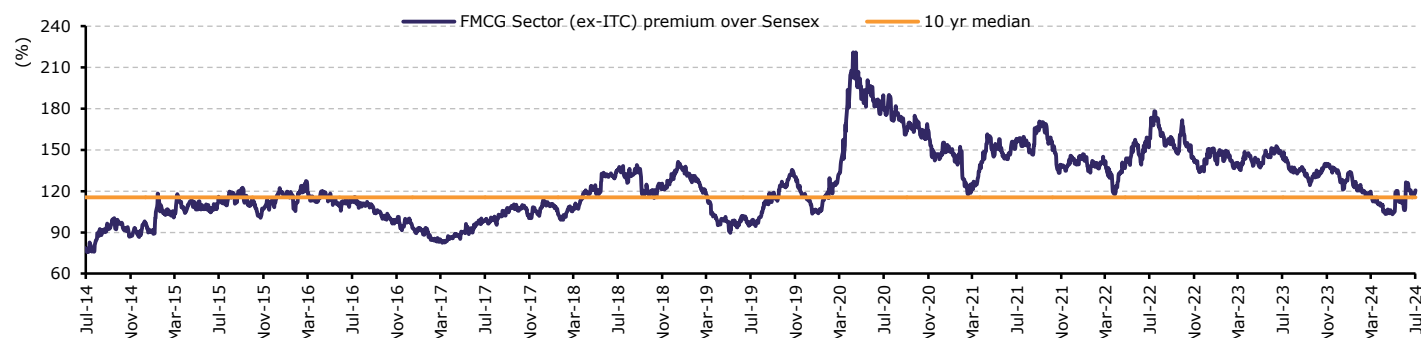
Valuations need growth support

Exhibit 11: One-year forward P/E for the FMCG sector (ex-ITC)



Source: Bloomberg, Emkay Research; Note: We have considered financials of Britannia, Colgate, Dabur, Godrej Consumer, Hindustan Unilever, Marico, and Nestlé India; estimates are based on Bloomberg consensus

Exhibit 12: FMCG sector's valuation (one-year forward P/E) are at a premium to the broader market Sensex



Source: Bloomberg, Emkay Research; Note: We have considered the financials of Britannia, Colgate, Dabur, Godrej Consumer, Hindustan Unilever, Marico, and Nestlé India; estimates are based on Bloomberg consensus

Exhibit 13: Emkay's FMCG coverage valuation snapshot

| Company | Rating | TP (Rs/sh) | Upside (%) | Mcap (USD bn) | P/E (x) | | | Avg. hist. fwd. PER (x) | | | FY26E PER vs | | Emkay valuation | |
|----------------------|--------|---------------|---------------|------------------|---------|-------|-------|----------------------------|----|-----|---------------|----------------|-----------------|------------------|
| | | | | | FY25E | FY26E | FY27E | 3Y | 5Y | 10Y | 5Y avg P/E | 10Y avg P/E | P/E (x) | vs 5Y avg P/E |
| ITC | ADD | 470 | 10% | 64.0 | 24.7 | 22.3 | 20.0 | 22 | 20 | 23 | 13% | -2% | SoTP | |
| Hindustan Unilever | BUY | 2,900 | 16% | 70.6 | 54.5 | 49.2 | 44.1 | 54 | 54 | 49 | -10% | 0% | 52 | -4% |
| Nestlé India | REDUCE | 2,700 | 6% | 29.5 | 89.4 | 63.2 | 56.0 | 68 | 66 | 57 | -4% | 11% | 65 | -2% |
| Britannia Industries | ADD | 5,750 | 6% | 15.7 | 55.2 | 46.9 | 41.4 | 48 | 47 | 45 | -1% | 5% | 48 | 2% |
| Godrej Consumer | ADD | 1,450 | 6% | 16.8 | 58.5 | 50.8 | 46.1 | 45 | 43 | 40 | 19% | 28% | 52 | 21% |
| Dabur | BUY | 700 | 15% | 12.9 | 50.6 | 42.7 | 37.6 | 47 | 47 | 42 | -9% | 3% | 47 | 0% |
| Marico | REDUCE | 630 | 4% | 9.4 | 48.6 | 42.6 | 38.0 | 44 | 42 | 40 | 0% | 6% | 42 | 0% |
| Colgate-Palmolive | SELL | 2,525 | -12% | 9.4 | 51.8 | 48.1 | 43.9 | 41 | 41 | 40 | 17% | 21% | 41 | 0% |
| Emami | BUY | 850 | 15% | 3.9 | 39.7 | 35.9 | 32.2 | 26 | 26 | 32 | 37% | 14% | 40 | 52% |
| Honasa Consumer | BUY | 525 | 21% | 1.7 | 127.6 | 91.0 | 60.0 | NA | NA | NA | NA | NA | 6x sales | NA |
| Bikaji | ADD | 775 | 7% | 2.2 | 60.8 | 49.3 | 40.5 | NA | NA | NA | NA | NA | 55 | NA |

Source: Company, Bloomberg, Emkay Research; Note: Prices based on the close of business as on 3-Jul-24

Exhibit 14: Emkay Universe – Valuations

| Company | EV/Sales (x) | | | EV/EBITDA (x) | | | Dividend payout (%) | | | Dividend yield (%) | | |
|----------------------|--------------|-------|-------|---------------|-------|-------|---------------------|-------|-------|--------------------|-------|-------|
| | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E |
| ITC | 7.0 | 6.3 | 5.7 | 18.3 | 16.3 | 13.9 | 89 | 89 | 86 | 3.6 | 4.0 | 4.3 |
| Hindustan Unilever | 9.0 | 8.4 | 7.7 | 37.8 | 34.2 | 30.8 | 98 | 98 | 44 | 1.8 | 2.0 | 1.0 |
| Nestlé India | 11.4 | 10.3 | 9.3 | 47.8 | 42.1 | 36.8 | 92 | 97 | 96 | 1.3 | 1.5 | 1.7 |
| Britannia Industries | 7.1 | 6.5 | 5.8 | 36.9 | 32.2 | 28.1 | 101 | 99 | 90 | 1.8 | 2.1 | 2.2 |
| Godrej Consumer | 9.1 | 8.2 | 7.5 | 40.2 | 35.5 | 32.0 | 77 | 78 | 78 | 1.3 | 1.5 | 1.7 |
| Dabur | 7.6 | 6.8 | 6.1 | 38.0 | 32.0 | 28.1 | 54 | 54 | 52 | 1.1 | 1.3 | 1.4 |
| Marico | 7.4 | 6.7 | 6.1 | 34.7 | 30.5 | 27.3 | 72 | 70 | 103 | 1.5 | 1.7 | 2.7 |
| Colgate-Palmolive | 12.4 | 11.4 | 10.5 | 35.8 | 33.2 | 30.4 | 97 | 97 | 95 | 1.9 | 2.0 | 2.2 |
| Emami | 8.0 | 7.3 | 6.6 | 28.7 | 25.7 | 22.7 | 54 | 54 | 52 | 1.4 | 1.5 | 1.7 |
| Honasa Consumer | 5.7 | 4.7 | 3.8 | 62.5 | 40.5 | 29.0 | NA | NA | NA | NA | NA | NA |
| Bikaji | 6.8 | 5.8 | 5.0 | 41.3 | 34.7 | 29.5 | 25 | 25 | 35 | 0.4 | 0.5 | 0.9 |

Source: Company, Bloomberg, Emkay Research; Note: Prices based on the close of business as on 3-Jul-24

Exhibit 15: Emkay Universe – Return profile and free cash conversion

| Company | ROE (%) | | | ROCE (%) | | | FCF yield (%) | | | FCF/PAT (%) | | |
|----------------------|---------|-------|-------|----------|-------|-------|---------------|-------|-------|-------------|-------|-------|
| | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E |
| ITC | 29.6 | 31.3 | 32.9 | 33.8 | 36.1 | 39.8 | 2.5 | 3.6 | 3.5 | 89 | 78 | 81 |
| Hindustan Unilever | 21.2 | 23.3 | 25.9 | 27.4 | 30.2 | 33.5 | 2.3 | 1.7 | 2.0 | 93 | 98 | 100 |
| Nestlé India | 99.7 | 107.8 | 118.8 | 132.8 | 144.1 | 159.4 | 2.5 | 1.1 | 1.4 | 82 | 88 | 142 |
| Britannia Industries | 58.4 | 65.5 | 70.0 | 51.9 | 58.3 | 63.3 | 1.6 | 1.6 | 2.1 | 89 | 99 | 97 |
| Godrej Consumer | 18.3 | 20.2 | 21.3 | 20.2 | 22.8 | 24.7 | 1.3 | 1.9 | 2.0 | 111 | 101 | 82 |
| Dabur | 21.1 | 22.6 | 23.2 | 19.5 | 21.3 | 22.1 | 1.4 | 1.2 | 1.9 | 61 | 78 | 72 |
| Marico | 40.7 | 41.3 | 43.8 | 42.9 | 43.8 | 46.9 | 1.5 | 2.4 | 2.1 | 111 | 87 | 83 |
| Colgate-Palmolive | 83.4 | 90.1 | 92.1 | 103.7 | 112.0 | 114.5 | 1.4 | 1.8 | 2.2 | 92 | 103 | 99 |
| Emami | 28.9 | 26.7 | 26.7 | 33.5 | 31.0 | 31.2 | 2.4 | 2.6 | 2.8 | 102 | 99 | 99 |
| Honasa Consumer | 12.4 | 15.8 | 17.8 | 13.5 | 18.3 | 21.6 | 3.8 | 3.5 | 4.5 | 314 | 272 | 259 |
| Bikaji | 22.5 | 23.3 | 24.1 | 18.0 | 19.0 | 19.9 | 1.5 | 1.7 | 2.0 | 100 | 100 | 100 |

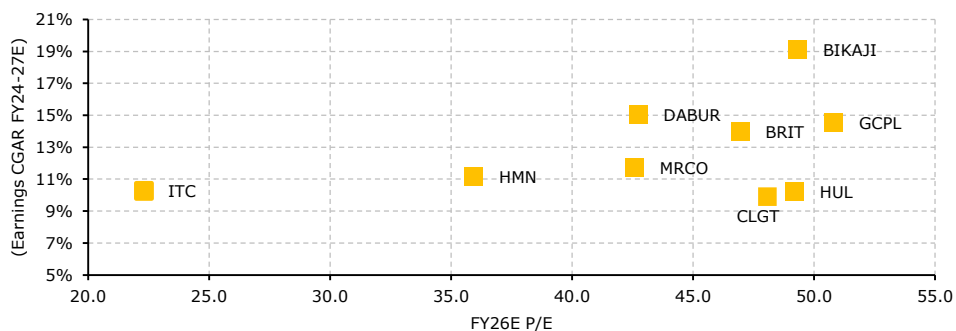
Source: Company, Bloomberg, Emkay Research; Note: Prices based on the close of business as on 3-Jul-24

Exhibit 16: Change in Emkay coverage's target price

| Company | Rating changes | | Target price (Rs/sh) | | P/E Valuation multiple (x) | |
|--------------|----------------|------|----------------------|---------------|----------------------------|------|
| | New | Old | New (Jun-26E) | Old (Mar-25E) | New | Old |
| Britannia | ADD | ADD | 5,750▲ | 5,550 | 48 | 48 |
| Colgate | REDUCE▲ | SELL | 2,525▲ | 2,350 | 41▲ | 40 |
| Dabur India | BUY | BUY | 700 | 700* | 46 | 46 |
| Nestlé India | ADD | ADD | 2,700▲ | 2,600 | 65 | 65 |
| Emami | BUY | BUY | 850▲ | 625 | 40▲ | 31 |
| GCPL | ADD | ADD | 1,450▲ | 1,350 | 52▲ | 50 |
| HUL | BUY | BUY | 2,900 | 2,900* | 55 | 55 |
| ITC | ADD | ADD | 470▲ | 460 | SOTP | SOTP |
| Marico | REDUCE▼ | ADD | 630▲ | 600 | 42 | 42 |
| Honasa^ | BUY | BUY | 525 | 535* | 6 | 6 |
| Bikaji | ADD | BUY | 775 | 650 | 55 | 48 |

Source: Emkay Research; Note: *TP based on Jun-26E EPS; ^For Honasa Consumer, we value at EV/Sales

Exhibit 17: Coverage earnings CAGR (FY24-FY27E) and valuations (P/E for FY26)



Source: Bloomberg, Emkay Research

Exhibit 18: Stock price performance for the listed FMCG universe

| Company name | MCap (Rs mn) | CMP (Rs/sh) | 5 days | 1-month | 3-month | 6-month | 1-year | 3-year CAGR | 5-year CAGR | 10-year CAGR |
|--------------------------------|--------------|-------------|--------|---------|---------|---------|--------|-------------|-------------|--------------|
| Sensex | | 79,987 | 2% | 11% | 8% | 11% | 22% | 15% | 15% | 12% |
| Britannia Industries | 1,312,515 | 5,449 | 0% | 2% | 12% | 1% | 8% | 14% | 13% | 26% |
| Colgate-Palmolive India | 782,924 | 2,879 | 3% | 2% | 7% | 15% | 69% | 20% | 20% | 13% |
| Dabur India | 1,080,578 | 610 | 1% | 5% | 20% | 8% | 5% | 1% | 8% | 12% |
| Emami | 323,339 | 736 | 4% | 17% | 65% | 32% | 74% | 10% | 19% | 11% |
| Godrej Consumer Products | 1,399,218 | 1,368 | -3% | 1% | 16% | 14% | 29% | 14% | 15% | 18% |
| Hindustan Unilever | 5,898,296 | 2,510 | 3% | 1% | 11% | -3% | -7% | 0% | 7% | 15% |
| ITC | 5,347,206 | 428 | 1% | 3% | 1% | -10% | -8% | 28% | 9% | 7% |
| Marico | 786,491 | 608 | -1% | -1% | 24% | 10% | 15% | 5% | 10% | 17% |
| Nestlé India | 2,460,047 | 2,552 | 1% | 5% | 0% | -6% | 13% | 13% | 16% | 18% |
| Jyothy Laboratories | 175,764 | 479 | 14% | 22% | 10% | -5% | 107% | 38% | 24% | 18% |
| Tata Consumer | 1,092,282 | 1,146 | 5% | 5% | 3% | 2% | 34% | 14% | 34% | 21% |
| Bajaj Consumer | 37,732 | 263 | -1% | 16% | 13% | 15% | 37% | -3% | -4% | 1% |
| Agro Tech | 19,543 | 802 | 9% | 18% | 12% | -5% | -8% | -6% | 10% | 3% |
| Zydus Wellness | 131,760 | 2,071 | 15% | 21% | 30% | 23% | 40% | -1% | 9% | 12% |
| Adani Wilmar | 436,237 | 336 | 0% | 1% | -5% | -12% | -18% | | | |
| Bikaji Foods International | 181,903 | 727 | 0% | 26% | 34% | 28% | | | | |
| Mrs. Bectors Food Specialities | 82,300 | 1,399 | 1% | 10% | 22% | 17% | 72% | | | |
| Honasa Consumer | 141,062 | 435 | -2% | 5% | | | | | | |

Source: Bloomberg, Emkay Research; Note: Prices based on close of business on 3-Jul-24

Britannia Industries: Growth beyond core is key

(ADD; TP Rs5,750/share▲)

Actions in the form of price cuts have arrested competition in the biscuits category. We expect the market share gain trend to be sustained. While the company is looking to take volume growth to double digits, we expect the same to materialize only on rural demand recovery. We are building high-single digit volume growth. We continue to see the lag in execution for the other adjacencies that if enhanced will aid the topline trajectory. Factoring near-term category demand stress from the harsh summer, we cut topline expectations for FY25E by 2%, which led to similar earning cuts. As we roll over from Mar-25E to Jun-26E EPS, our TP changes from Rs5,550 to Rs5,750/sh (based on 48x P/E). We maintain ADD. We see forward P/E at 52x trades above +1 S.D. of 50x and at 10% premium to its historical average forward P/E of 48x.

Exhibit 19: Britannia – Changes to Emkay estimates

| (Rs mn) | New estimates | | | Old estimates | | Changes to our estimates | |
|---------------|---------------|---------|---------|---------------|---------|--------------------------|-------|
| | FY25E | FY26E | FY27E | FY25E | FY26E | FY25E | FY26E |
| Net sales | 178,112 | 196,695 | 216,921 | 182,012 | 199,542 | -2% | -1% |
| Growth | 7.6% | 10.4% | 10.3% | 10.0% | 9.6% | | |
| EBITDA | 34,531 | 39,476 | 45,073 | 35,220 | 39,328 | -2% | 0% |
| Growth | 8.9% | 14.3% | 14.2% | 11.1% | 11.7% | | |
| EBITDA margin | 19.4% | 20.1% | 20.8% | 19.4% | 19.7% | | |
| Adj PAT | 23,770 | 27,963 | 31,737 | 24,279 | 27,853 | -2% | 0% |
| Growth | 10.9% | 17.6% | 13.5% | 13.3% | 14.7% | | |

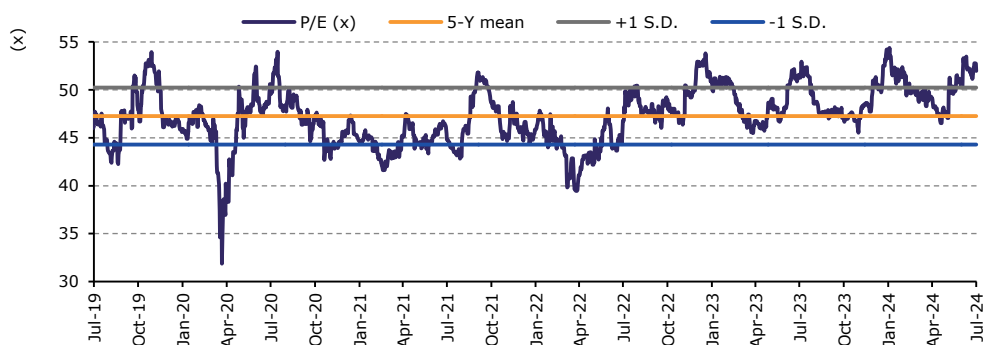
Source: Company, Emkay Research

Exhibit 20: Britannia Industries – Emkay estimates vs consensus

| (Rs mn) | Emkay estimates | | | Consensus estimates | | | Emkay estimates vs consensus | | |
|---------------|-----------------|---------|---------|---------------------|---------|---------|------------------------------|-------|-------|
| | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E |
| Net sales | 178,112 | 196,695 | 216,921 | 184,177 | 203,698 | 227,606 | -3% | -3% | -5% |
| Growth | 7.6% | 10.4% | 10.3% | 11.3% | 10.6% | 11.7% | | | |
| EBITDA | 34,531 | 39,476 | 45,073 | 34,938 | 38,965 | 43,363 | -1% | 1% | 4% |
| Growth | 8.9% | 14.3% | 14.2% | 10.2% | 11.5% | 11.3% | | | |
| EBITDA margin | 19.4% | 20.1% | 20.8% | 19.0% | 19.1% | 19.1% | | | |
| Adj. PAT | 23,770 | 27,963 | 31,737 | 24,184 | 27,271 | 31,071 | -2% | 3% | 2% |
| Growth | 10.9% | 17.6% | 13.5% | 12.9% | 12.8% | 13.9% | | | |

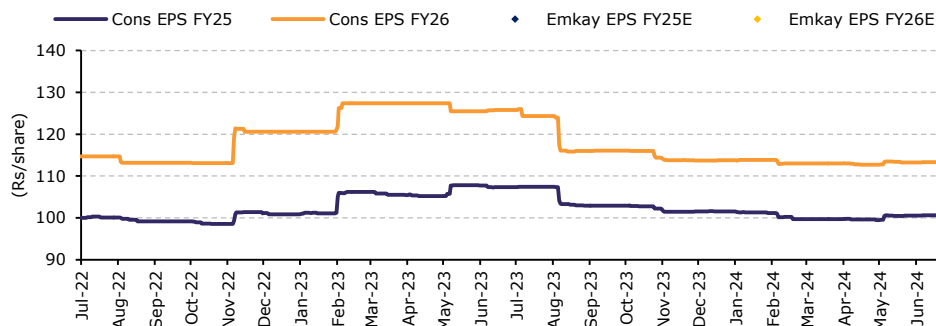
Source: Bloomberg, Emkay Research

Exhibit 21: Britannia Industries – One-year forward P/E (based on consensus)



Source: Bloomberg, Emkay Research

Exhibit 22: Consensus EPS movement for FY25/FY26 and our expectations



Source: Bloomberg, Emkay Research

Exhibit 23: Britannia Industries — Key assumptions

| | FY20 | FY21 | FY22 | FY23 | FY24 | FY25E | FY26E | FY27E |
|--|------|-------|------|------|------|-------|-------|-------|
| Growth | | | | | | | | |
| Standalone revenue growth | 4% | 12% | 9% | 16% | 4% | 9% | 10% | 10% |
| International revenue growth | 21% | 26% | -7% | -1% | 10% | 10% | 10% | 10% |
| Consolidated revenue growth | 5% | 13% | 8% | 15% | 3% | 8% | 10% | 10% |
| Biscuits volume growth | 2% | 10% | 3% | 1% | 2% | 8% | 7% | 6% |
| Biscuits value growth | 3% | 12% | 9% | 15% | 2% | 8% | 10% | 10% |
| Earnings growth | 22% | 31% | -18% | 28% | 10% | 11% | 18% | 13% |
| As a % of sales | | | | | | | | |
| Gross margin | 40% | 42% | 38% | 41% | 43% | 43% | 43% | 44% |
| A&P spends as a % of sales | 4% | 4% | 3% | 4% | 4% | 4% | 4% | 4% |
| Conversion costs as a % of sales | 4% | 4% | 5% | 5% | 5% | 5% | 4% | 4% |
| Freight and handling costs as a % of sales | 5% | 5% | 5% | 4% | 4% | 4% | 4% | 4% |
| EBITDA margin | 16% | 19% | 16% | 17% | 19% | 19% | 20% | 21% |
| Per share | | | | | | | | |
| Adj. EPS (Rs) | 59.0 | 77.4 | 63.3 | 80.8 | 88.9 | 98.7 | 116.1 | 131.7 |
| DPS (Rs) | 35.0 | 157.5 | 69.0 | 72.0 | 73.5 | 100.0 | 115.0 | 118.6 |
| Dividend payout | 59% | 203% | 109% | 89% | 83% | 101% | 99% | 90% |
| Balance sheet | | | | | | | | |
| Total debt (Rs bn) | 15.1 | 20.9 | 24.7 | 29.8 | 20.4 | 19.7 | 20.1 | 20.4 |
| Capex (Rs bn) | 4.1 | 1.5 | 1.9 | 12.1 | 4.1 | 3.0 | 3.0 | 3.0 |
| Investments (Rs bn) | 28.9 | 27.8 | 17.6 | 33.2 | 27.7 | 20.0 | 20.0 | 25.0 |
| Inventory days | 24 | 31 | 36 | 27 | 26 | 30 | 30 | 30 |
| Receivable days | 10 | 7 | 9 | 8 | 9 | 9 | 9 | 9 |
| Payable days | 36 | 37 | 34 | 33 | 36 | 36 | 36 | 36 |
| Net working capital days | -2 | 1 | 11 | 2 | -1 | 3 | 3 | 3 |

Source: Company, Emkay Research

Colgate India: Topline delivery is key for earnings

(REDUCE; TP: Rs2,525/share▲)

Colgate India has continued with price action in the remaining part of the portfolio that is likely to help drive price growth for FY25. We have revised our revenue estimates up by 2% for FY25, which flows to FY26. Positive for Colgate is that the competition has followed pricing strategy and effecting price hikes across the portfolio. Enhanced margin has also been used to support trade, which enhances the volume growth outlook ahead. We continue to see the risk of growth from renewed aggression from incumbents in the herbal/natural category. We continue to await actions in the non-oral care portfolio. As we roll over from Mar-26E to Jun-26E EPS, our TP increases from Rs2,350 to Rs2,525/sh. We continue to value stock at the last five years' average forward P/E that is now at 41 (vs 40x earlier). Due to the limited downside, we upgrade to REDUCE from Sell.

Exhibit 24: Colgate – Changes to Emkay estimate

| (Rs mn) | New estimates | | | Old estimates | | Changes to our estimates | |
|---------------|---------------|--------|--------|---------------|--------|--------------------------|-------|
| | FY25E | FY26E | FY27E | FY25E | FY26E | FY25E | FY26E |
| Net sales | 62,005 | 66,927 | 72,242 | 61,002 | 65,845 | 2% | 2% |
| Growth | 9.9% | 7.9% | 7.9% | 8.1% | 7.9% | | |
| EBITDA | 21,384 | 22,996 | 25,037 | 20,798 | 22,539 | 2% | 2% |
| Growth | 12.5% | 7.5% | 8.9% | 9.4% | 8.4% | | |
| EBITDA margin | 33.5% | 34.3% | 34.1% | 34.1% | 34.2% | | |
| Adj. PAT | 15,128 | 16,287 | 17,833 | 14,695 | 15,974 | 2% | 2% |
| Growth | 12.6% | 7.7% | 9.5% | 9.4% | 8.7% | | |

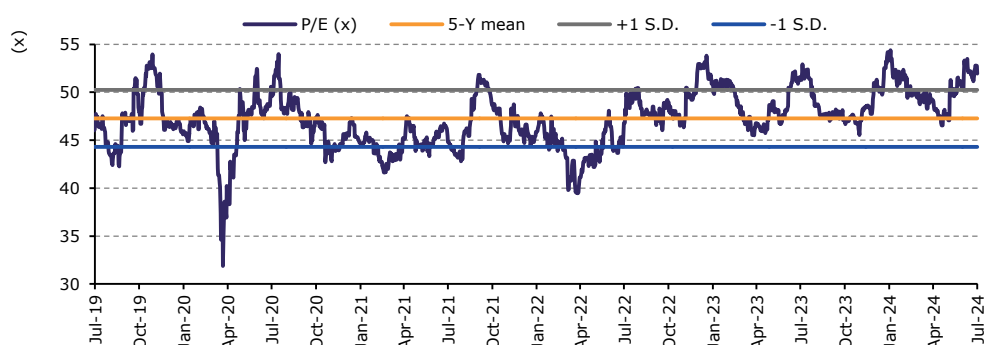
Source: Company, Emkay Research

Exhibit 25: Colgate India – Emkay vs consensus estimates

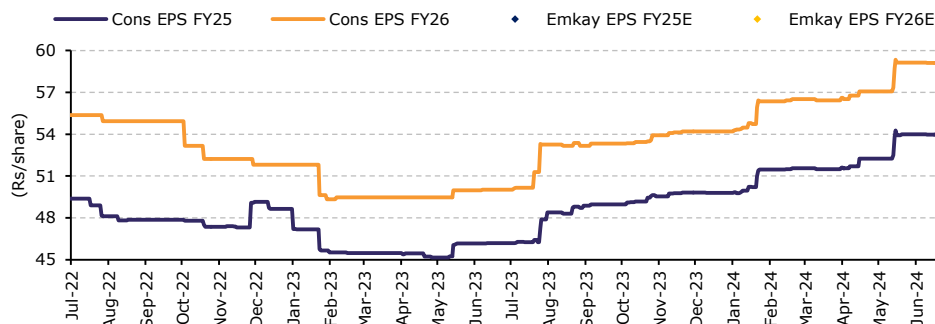
| (Rs mn) | Emkay estimates | | | Consensus estimates | | | Emkay estimates vs consensus | | |
|---------------|-----------------|--------|--------|---------------------|--------|--------|------------------------------|-------|-------|
| | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E |
| Net sales | 62,005 | 66,927 | 72,242 | 61,439 | 66,504 | 72,012 | 1% | 1% | 0% |
| Growth | 9.9% | 7.9% | 7.9% | 8.9% | 8.2% | 8.3% | | | |
| EBITDA | 21,384 | 22,996 | 25,037 | 20,654 | 23,482 | 24,596 | 4% | -2% | 2% |
| Growth | 12.5% | 7.5% | 8.9% | 8.7% | 13.7% | 4.7% | | | |
| EBITDA margin | 34.3% | 34.1% | 34.4% | 33.6% | 35.3% | 34.2% | | | |
| Adj. PAT | 15,128 | 16,287 | 17,833 | 14,627 | 17,048 | 17,806 | 3% | -4% | 0% |
| Growth | 12.6% | 7.7% | 9.5% | 8.9% | 16.6% | 4.4% | | | |

Source: Bloomberg, Emkay Research

Exhibit 26: Colgate India – One-year forward P/E (based on consensus)



Source: Bloomberg, Emkay Research

Exhibit 27: Consensus EPS movement for FY25/FY26 and our expectations

Source: Bloomberg, Emkay Research

Exhibit 28: Colgate India – Key assumptions

| | FY20 | FY21 | FY22 | FY23 | FY24 | FY25E | FY26E | FY27E |
|----------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| Profit and loss statement | | | | | | | | |
| Net sales growth | 1.4% | 7.0% | 5.3% | 2.5% | 8.7% | 9.8% | 7.9% | 8.0% |
| Toothpaste volume growth | 1.0% | 4.0% | 3.5% | -2.5% | 2.0% | 4.0% | 4.0% | 4.0% |
| Gross margin | 65.2% | 68.0% | 67.3% | 65.7% | 69.7% | 70.3% | 70.3% | 70.5% |
| A&P spends as a % of sales | 13.8% | 12.9% | 12.6% | 12.1% | 13.4% | 13.7% | 13.9% | 13.9% |
| Employee costs | 7.3% | 7.6% | 7.6% | 7.2% | 7.2% | 7.1% | 7.1% | 7.1% |
| EBITDA margin | 26.6% | 31.2% | 30.7% | 29.6% | 33.5% | 34.3% | 34.1% | 34.4% |
| EBITDA growth | -2.8% | 25.6% | 3.7% | -1.2% | 22.9% | 12.5% | 7.5% | 8.9% |
| EBIT growth | -6.8% | 32.2% | 4.6% | -1.2% | 26.0% | 13.3% | 7.8% | 9.3% |
| PBT growth | -6.2% | 29.4% | 4.4% | 0.8% | 26.7% | 13.0% | 7.7% | 9.4% |
| Effective tax rate | 21.7% | 23.3% | 23.5% | 25.5% | 25.4% | 25.7% | 25.7% | 25.6% |
| Adjusted PAT growth | 13.7% | 26.8% | 4.1% | -1.9% | 26.9% | 12.6% | 7.7% | 9.5% |
| EPS (Rs) | 30.0 | 38.1 | 39.6 | 38.9 | 49.4 | 55.6 | 59.9 | 65.6 |
| DPS (Rs) | 29.0 | 38.0 | 40.0 | 39.0 | 58.0 | 54.0 | 58.0 | 62.0 |
| Dividend payout | 97% | 100% | 101% | 100% | 117% | 97% | 97% | 95% |
| Balance sheet | | | | | | | | |
| Inventory days | 24 | 25 | 26 | 23 | 19 | 23 | 22 | 24 |
| Receivable days | 11 | 9 | 16 | 11 | 11 | 11 | 11 | 12 |
| Payable days | 64 | 115 | 70 | 69 | 73 | 70 | 69 | 69 |
| Avg ROE (%) | 54% | 75% | 74% | 61% | 75% | 83% | 90% | 92% |
| Avg ROCE (%) | 62% | 90% | 90% | 76% | 93% | 104% | 112% | 114% |
| Capex spends (Rs mn) | 604 | 573 | 495 | 695 | 755 | 1,000 | 1,100 | 1,200 |

Source: Company, Emkay Research

Dabur: Better play on rural demand recovery

(BUY; TP: Rs700/share)

Dabur remains one of our preferred picks in the sector, given its diversified portfolio and better execution. The company's thrust on rural remains firm, where with distribution expansion, the company continues to report better growth. Dabur, as per its strategy, has been expanding TAM across brands with category extensions that are backed well by distribution and marketing. In the last couple of years some innovations have not seen a scale-up given the correction in the marketing budget (reflected in the reduction in new launch contribution), but these would be supported ahead with higher allocations. With digitization in place, the company is well-placed to leverage shelf space at the store. We now see a 10% revenue CAGR over FY24-27E. We maintain BUY with Jun-24E TP of Rs700/sh on 46x P/E.

Exhibit 29: Dabur India — Changes to Emkay estimate

| (Rs mn) | New estimates | | | Old estimates | | Changes to our estimates | |
|---------------|---------------|---------|---------|---------------|---------|--------------------------|-------|
| | FY25E | FY26E | FY27E | FY25E | FY26E | FY25E | FY26E |
| Net sales | 134,212 | 148,273 | 163,519 | 135,008 | 148,796 | -1% | 0% |
| Growth | 9.2% | 10.5% | 10.3% | 9.8% | 10.2% | | |
| EBITDA | 26,936 | 31,591 | 35,557 | 27,269 | 31,814 | -1% | -1% |
| Growth | 12.2% | 17.3% | 12.6% | 13.6% | 16.7% | | |
| EBITDA margin | 20.1% | 21.3% | 21.7% | 20.2% | 21.4% | | |
| Adj. PAT | 21,361 | 25,279 | 28,726 | 21,654 | 25,284 | -1% | 0% |
| Growth | 13.2% | 18.3% | 13.6% | 14.8% | 16.8% | | |

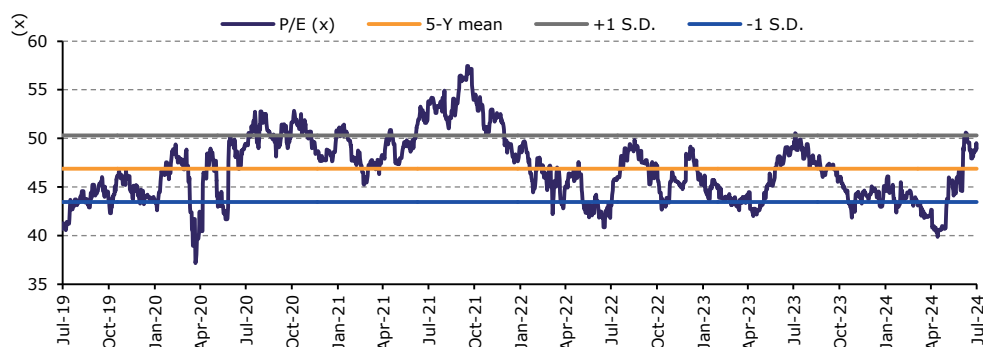
Source: Company, Emkay Research

Exhibit 30: Dabur India — Emkay vs consensus estimates

| (Rs mn) | Emkay estimates | | Consensus estimates | | Emkay estimates vs consensus | |
|---------------|-----------------|---------|---------------------|---------|------------------------------|-------|
| | FY25E | FY26E | FY25E | FY26E | FY25E | FY26E |
| Net sales | 134,212 | 148,273 | 136,158 | 149,633 | -1% | -1% |
| Growth | 9.2% | 10.5% | 10.8% | 9.9% | | |
| EBITDA | 26,936 | 31,591 | 27,264 | 30,627 | -1% | 3% |
| Growth | 12.2% | 17.3% | 13.6% | 12.3% | | |
| EBITDA margin | 20.1% | 21.3% | 20.0% | 20.5% | | |
| Adj. PAT | 21,361 | 25,279 | 21,153 | 23,896 | 1% | 6% |
| Growth | 13.2% | 18.3% | 12.1% | 13.0% | | |

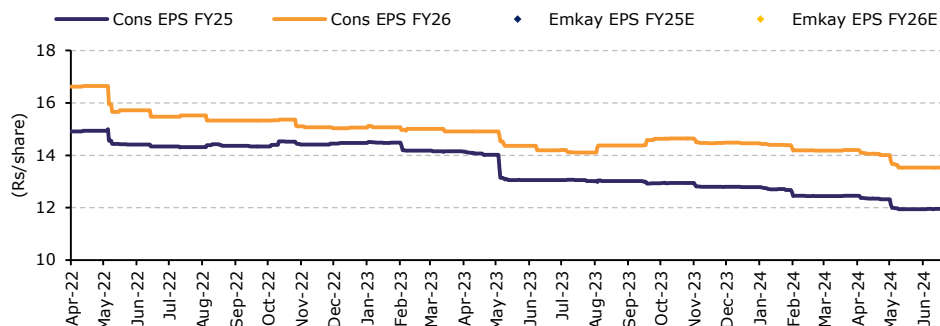
Source: Bloomberg, Emkay Research

Exhibit 31: Dabur India — One-year forward P/E (based on consensus)



Source: Bloomberg, Emkay Research

Exhibit 32: Consensus EPS movement for FY25/FY26 and our expectations



Source: Bloomberg, Emkay Research

Exhibit 33: Dabur India – Key assumptions

| | FY22 | FY23 | FY24 | FY25E | FY26E | FY27E |
|--------------------------|-------|-------|-------|-------|-------|-------|
| Growth | | | | | | |
| Domestic sales | 14.5% | 5.5% | 8.7% | 9.7% | 10.8% | 10.6% |
| - Home and personal care | 12.7% | 5.2% | 8.1% | 7.8% | 9.4% | 9.1% |
| - Healthcare | 4.8% | -6.9% | 4.2% | 8.3% | 9.0% | 9.0% |
| - Foods and Beverages | 48.8% | 30.0% | 16.7% | 15.4% | 15.8% | 15.3% |
| International sales | 20.9% | 1.9% | 6.5% | 7.7% | 9.6% | 9.3% |
| Consolidated sales | 13.7% | 5.7% | 7.6% | 9.2% | 10.5% | 10.3% |
| Consolidated EBITDA | 12.5% | -4.0% | 10.9% | 12.2% | 17.3% | 12.6% |
| Consolidated adj. PAT | 7.7% | -5.8% | 9.8% | 13.2% | 18.3% | 13.6% |
| As a % of revenue | | | | | | |
| Gross margin | 48.2% | 45.6% | 48.0% | 48.8% | 49.5% | 49.5% |
| Employee costs | 10.0% | 10.0% | 10.1% | 10.0% | 9.8% | 9.5% |
| Advertisement | 7.2% | 5.6% | 6.9% | 7.0% | 7.0% | 7.0% |
| Other operating costs | 10.5% | 11.6% | 11.9% | 11.7% | 11.4% | 11.2% |
| EBITDA margin | 20.7% | 18.8% | 19.4% | 19.9% | 21.1% | 21.5% |
| Effective tax rate | 22.3% | 23.1% | 22.4% | 23.5% | 24.0% | 24.0% |
| Per share data | | | | | | |
| Adj. EPS (Rs) | 10.32 | 9.70 | 10.65 | 12.05 | 14.27 | 16.21 |
| DPS (Rs) | 5.20 | 5.20 | 5.50 | 6.50 | 7.75 | 8.50 |
| Pay-out (%) | 50.4% | 53.6% | 51.7% | 53.9% | 54.3% | 52.4% |
| Balance Sheet | | | | | | |
| Capex (Rs mn) | 3.7 | 4.9 | 5.6 | 4.2 | 4.0 | 5.0 |
| Inventory days | 65 | 65 | 58 | 63 | 62 | 62 |
| Receivable days | 22 | 27 | 27 | 29 | 30 | 30 |
| Payable days | 68 | 70 | 76 | 70 | 70 | 70 |
| Avg. ROE (post tax) | 22.7% | 19.8% | 20.0% | 20.7% | 22.2% | 22.8% |
| Avg. ROCE (pre-tax) | 22.8% | 19.2% | 19.5% | 20.3% | 22.1% | 23.0% |
| Avg. ROIC (pre-tax) | 58.9% | 46.7% | 37.1% | 34.2% | 39.6% | 44.7% |

Source: Company, Emkay Research

Emami: Valuation re-rating to sustain

(BUY; TP: Rs850/share▲)

Emami's recent valuation catch-up is a factor of expected easing in business pressure from seasonality and rural recovery, a professional management team in place, and reduced pledge position to mid-single digit. With professionals in place and seasonality turning favorable, Emami is one of the better rural recovery plays. With improving financial performance, we see gradual comfort in valuations emerging, which is now at 32x for FY26, leading to the stock re-rating. With most of the business and promoter funding issues sorted, we lift the ascribed valuation multiple to 40x from 31x. As we roll over from Mar-26E to Jun-26E EPS, our TP increases from Rs625 to Rs850/sh; we maintain BUY. Sustained rural weakness and weak seasonality remain key risks to our call.

Exhibit 34: Emami: Changes to Emkay estimate

| (Rs mn) | New estimates | | | Old estimates | | Changes to our estimates | |
|-------------------|---------------|--------|--------|---------------|--------|--------------------------|-------|
| | FY25E | FY26E | FY27E | FY25E | FY26E | FY25E | FY26E |
| Net sales | 38,324 | 41,327 | 44,681 | 38,308 | 41,311 | 0% | 0% |
| Growth (%) | 5.1% | 8.5% | 7.8% | 5.0% | 7.8% | | |
| EBITDA | 10,651 | 11,722 | 13,064 | 10,652 | 11,724 | 0% | 0% |
| Growth (%) | 10.1% | 12.2% | 10.1% | 10.1% | 10.1% | | |
| EBITDA margin (%) | 27.4% | 28.0% | 28.9% | 27.8% | 28.4% | | |
| Adj PAT | 8,091 | 8,943 | 9,994 | 8,012 | 8,825 | 1% | 1% |
| Growth (%) | 11.2% | 10.5% | 11.8% | 10.2% | 10.1% | | |

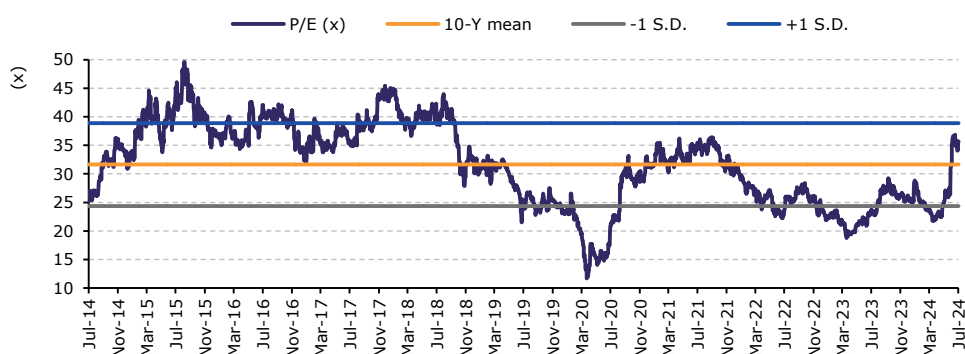
Source: Company, Emkay Research

Exhibit 35: Emami – Emkay estimates vs consensus

| (Rs mn) | Emkay estimates | | | Consensus estimates | | | Emkay estimates vs. consensus | | |
|---------------|-----------------|--------|--------|---------------------|--------|--------|-------------------------------|-------|-------|
| | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E |
| Net sales | 38,324 | 41,327 | 44,681 | 39,214 | 42,832 | 46,457 | -2% | -4% | -4% |
| Growth | 8.5% | 7.8% | 8.1% | 11.0% | 9.2% | 8.5% | | | |
| EBITDA | 10,651 | 11,722 | 13,064 | 10,566 | 11,752 | 12,780 | 1% | 0% | 2% |
| Growth | 12.2% | 10.1% | 11.4% | 11.3% | 11.2% | 8.8% | | | |
| EBITDA margin | 27.4% | 28.0% | 28.9% | 26.9% | 27.4% | 27.5% | | | |
| Adj. PAT | 8,091 | 8,943 | 9,994 | 8,468 | 9,509 | 10,433 | -4% | -6% | -4% |
| Growth | 11.2% | 10.5% | 11.8% | 16.4% | 12.3% | 9.7% | | | |

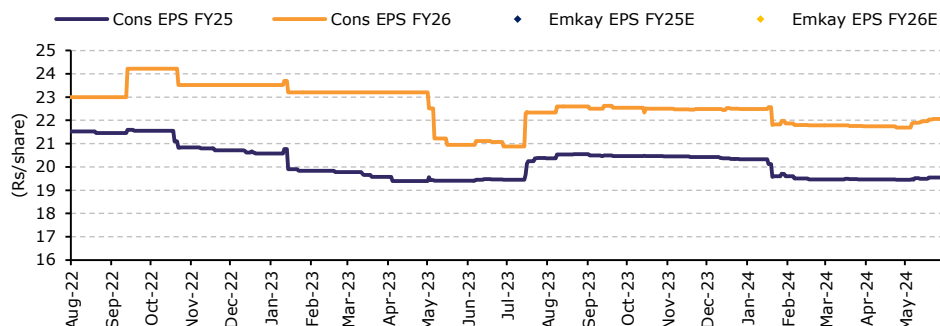
Source: Bloomberg, Emkay Research

Exhibit 36: Emami – One-year forward P/E (based on consensus)



Source: Bloomberg, Emkay Research

Exhibit 37: Consensus EPS movement for FY25/FY26 and our expectations



Source: Bloomberg, Emkay Research

Exhibit 38: Emami – Key assumptions

| | FY22 | FY23 | FY24 | FY25E | FY26E | FY27E |
|----------------------------------|-------|--------|-------|-------|-------|-------|
| Growth | | | | | | |
| Domestic sales growth | 7.0% | 4.4% | 4.2% | 8.7% | 7.8% | 7.9% |
| Volume growth | 10.9% | 1.2% | 1.2% | 4.0% | 4.0% | 4.0% |
| Realization growth | -3.5% | 3.2% | 2.9% | 4.5% | 3.7% | 3.8% |
| International sales growth | 7.0% | 19.1% | 9.0% | 8.0% | 8.0% | 9.0% |
| International sales contribution | 15.0% | 16.9% | 17.5% | 17.4% | 17.5% | 17.6% |
| Consolidated revenue growth | 7.0% | 6.6% | 5.0% | 8.6% | 7.8% | 8.1% |
| Consolidated EBITDA growth | 7.9% | -9.4% | 10.1% | 12.2% | 10.1% | 11.4% |
| Consolidated earnings growth | 8.3% | -11.7% | 13.6% | 11.2% | 10.5% | 11.8% |
| As a % of sales | | | | | | |
| Gross margin | 66.3% | 64.7% | 67.6% | 68.3% | 68.5% | 68.8% |
| Employee costs | 10.0% | 10.8% | 11.1% | 11.0% | 10.9% | 10.9% |
| A&P spends | 16.4% | 16.5% | 18.2% | 18.5% | 18.5% | 18.3% |
| Other operating expenses | 10.1% | 12.1% | 11.7% | 11.4% | 11.1% | 10.8% |
| EBITDA margin | 29.9% | 25.3% | 26.5% | 27.4% | 28.0% | 28.9% |
| Per share data | | | | | | |
| EPS (Rs) | 16.4 | 14.5 | 16.7 | 18.5 | 20.5 | 22.9 |
| DPS (Rs) | 8.0 | 8.0 | 8.0 | 10.0 | 11.0 | 12.0 |
| Pay-out | 49% | 55% | 48% | 54% | 54% | 52% |
| Balance sheet | | | | | | |
| Capex (Rs mn) | 4,836 | 405 | 406 | 1,752 | 1,200 | 1,200 |
| Receivable days | 32 | 39 | 46 | 38 | 38 | 38 |
| Inventory days | 38 | 37 | 33 | 35 | 35 | 35 |
| Payable days | 43 | 44 | 44 | 45 | 45 | 45 |
| Avg. ROE | 38% | 29% | 31% | 29% | 27% | 27% |
| Avg. ROCE | 41% | 32% | 35% | 34% | 31% | 31% |
| Avg. ROIC | 43% | 32% | 37% | 42% | 48% | 55% |

Source: Company, Emkay Research

Godrej Consumer: Valuation captures potential

(ADD; Rs1,450/share ▲)

Business simplification and thrust on profitability have aided stock valuations, which now fully reflect its prospect. The RNF-based liquid vaporizer is likely to enhance its prospect in the Indian business, whereas the extension of Cinthol into a body wash has been positive. Indonesia is looking strong under new management, with a focus on profitable growth. Africa cluster is likely to gain stability post-restructuring; the cluster margin is likely to see steady expansion ahead. We largely maintain our estimates and introduce FY27 estimates. As we roll over from Mar-26E to Jun-26E EPS, our TP increases from Rs1,350 to Rs1,450/sh, on 52x P/E (20% premium to its last five-years' average forward P/E). We maintain ADD.

Exhibit 39: Godrej Consumer: Changes to Emkay estimate

| (Rs mn) | New estimates | | | Old estimates | | Changes to our estimates | |
|-------------------|---------------|---------|---------|---------------|---------|--------------------------|-------|
| | FY25E | FY26E | FY27E | FY25E | FY26E | FY25E | FY26E |
| Net sales | 151,617 | 167,239 | 183,587 | 152,521 | 167,114 | 0% | 0% |
| Growth (%) | 8.9% | 10.7% | 10.1% | 9.5% | 9.6% | | |
| EBITDA | 34,413 | 38,872 | 43,131 | 34,657 | 38,838 | 0% | 0% |
| Growth (%) | 16.9% | 13.0% | 11.0% | 17.7% | 12.1% | | |
| EBITDA margin (%) | 22.4% | 22.9% | 23.1% | 9.4% | 11.5% | | |
| Adj PAT | 23,922 | 27,539 | 30,338 | 23,908 | 27,675 | 1% | 1% |
| Growth (%) | 18.5% | 15.1% | 10.2% | 18.4% | 15.8% | | |

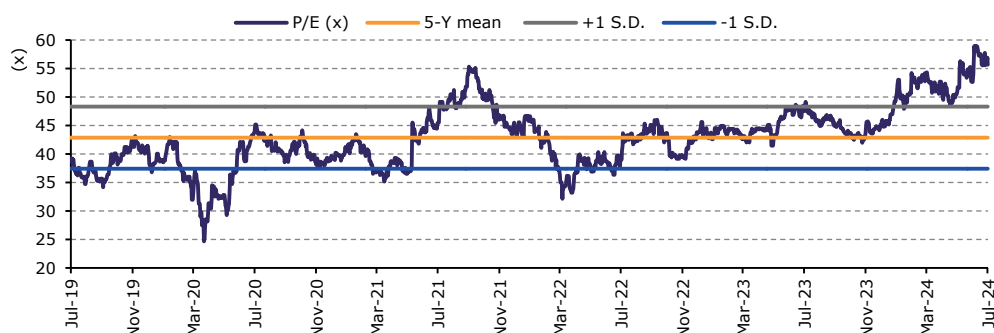
Source: Company, Emkay Research

Exhibit 40: Godrej Consumer – Emkay vs consensus estimates

| (Rs mn) | Emkay estimates | | Consensus estimates | | Emkay estimates vs consensus | |
|---------------|-----------------|---------|---------------------|---------|------------------------------|-------|
| | FY25E | FY26E | FY25E | FY26E | FY25E | FY26E |
| Net sales | 151,617 | 167,239 | 153,886 | 171,423 | -1% | -2% |
| Growth | 8.9% | 10.7% | 10.5% | 11.4% | | |
| EBITDA | 34,413 | 38,872 | 34,648 | 39,523 | -1% | -2% |
| Growth | 16.9% | 13.0% | 17.7% | 14.1% | | |
| EBITDA margin | 22.4% | 22.9% | 22.5% | 23.1% | | |
| Adj. PAT | 23,922 | 27,539 | 23,639 | 28,712 | 1% | -4% |
| Growth | 18.5% | 15.1% | 17.1% | 21.5% | | |

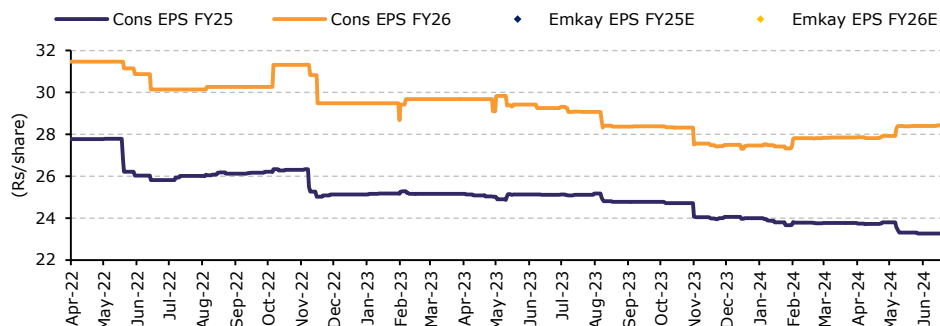
Source: Bloomberg, Emkay Research

Exhibit 41: Godrej Consumer – One-year forward P/E (based on consensus)



Source: Bloomberg, Emkay Research

Exhibit 42: Consensus EPS movement for FY25/FY26 and our expectations



Source: Bloomberg, Emkay Research

Exhibit 43: Godrej Consumer – Key assumptions

| | FY21 | FY22 | FY23 | FY24 | FY25E | FY26E | FY27E |
|----------------------------------|------|------|------|------|-------|-------|-------|
| Growth | | | | | | | |
| Domestic sales growth | 14% | 11% | 10% | 10% | 11% | 10% | 9% |
| Console sales growth | 11% | 11% | 8% | 6% | 9% | 11% | 10% |
| EBITDA growth | 11% | 0% | 1% | 21% | 17% | 13% | 11% |
| Earnings growth | 12% | 2% | -3% | 16% | 19% | 15% | 10% |
| Margin | | | | | | | |
| Gross margin | 55% | 51% | 50% | 55% | 56% | 56% | 56% |
| A&P spends as a % of sales | 7% | 6% | 7% | 9% | 9% | 10% | 10% |
| EBITDA margin | 22% | 20% | 18% | 21% | 22% | 23% | 23% |
| Per share data | | | | | | | |
| Adj. EPS (Rs) | 17.2 | 17.5 | 17.1 | 19.7 | 23.4 | 26.9 | 29.7 |
| DPS (Rs) | 0.0 | 0.0 | 0.0 | 15.0 | 18.0 | 21.0 | 23.0 |
| Balance sheet assumptions | | | | | | | |
| Avg. ROCE | 21% | 19% | 16% | 18% | 20% | 23% | 25% |
| Avg. RoE | 20% | 17% | 14% | 15% | 19% | 20% | 21% |
| Inventory days | 57 | 63 | 42 | 33 | 38 | 36 | 61 |
| Receivable days | 33 | 33 | 34 | 40 | 33 | 32 | 34 |
| Payable days | 71 | 64 | 50 | 43 | 49 | 49 | 64 |

Source: Company, Emkay Research

Honasa Consumer: Strong BPC play

(BUY; TP: Rs525/share)

Honasa Consumer is a play on execution, where Management's thrust on expanding TAM and remaining ahead of the curve has been helping it sustain healthy growth. The company has gradually rolled out The Derma Co and Aqualogica to offline channels across India and has seen good consumer acceptance. Headwinds in distributor shift from super stockists to direct distribution are likely to subside in FY25. The company has ramped up its R&D capability, which will help it expand into niche efficacy-based segments. On the back of multiple initiatives to optimize spending, arrest leakages, and operating leverage, we see a healthy margin expansion ahead that will help sustain robust earnings ahead. We maintain BUY.

Exhibit 44: Honasa Consumer: Changes to Emkay estimate

| (Rs mn) | New estimates | | | Old estimates | | Changes to our estimates | |
|-------------------|---------------|--------|--------|---------------|--------|--------------------------|-------|
| | FY25E | FY26E | FY27E | FY25E | FY26E | FY25E | FY26E |
| Net sales | 23,549 | 28,481 | 33,894 | 23,549 | 28,481 | 0% | 0% |
| Growth (%) | 22.7% | 20.9% | 19.0% | 22.7% | 20.9% | | |
| EBITDA | 2,147 | 3,275 | 4,497 | 2,217 | 3,275 | -3% | 0% |
| Growth (%) | 56.7% | 52.5% | 37.3% | 61.7% | 47.8% | | |
| EBITDA margin (%) | 9.1% | 11.5% | 6.6% | 9.4% | 11.5% | | |
| Adj PAT | 1,550 | 2,352 | 3,209 | 1,581 | 2,332 | -2% | 1% |
| Growth (%) | 40.2% | 51.7% | 36.5% | 43.0% | 47.5% | | |

Source: Company, Emkay Research

Exhibit 45: Honasa Consumer – Key assumptions

| | FY22 | FY23 | FY24 | FY25E | FY26E | FY27E |
|----------------------------------|--------|--------|--------|-------|-------|-------|
| Growth | | | | | | |
| Total income growth | 105.1% | 58.2% | 28.6% | 22.7% | 20.9% | 19.0% |
| Offline growth | 214.3% | 91.9% | 17.1% | 16.6% | 13.9% | 14.3% |
| Online growth | 67.8% | 9.0% | -1.0% | 4.6% | 6.3% | 5.2% |
| Mamaearth growth | 96.2% | 34.7% | 7.0% | 10.4% | 10.1% | 10.0% |
| Other brands growth | 258.0% | 397.3% | 320.7% | 49.8% | 37.3% | 30.0% |
| Margin | | | | | | |
| Gross margin | 70.0% | 70.1% | 69.8% | 70.0% | 70.2% | 70.5% |
| Advertisement | 41.5% | 35.5% | 34.4% | 34.1% | 33.3% | 33.1% |
| EBITDA margin | 6.8% | 3.2% | 7.1% | 9.1% | 11.5% | 13.3% |
| Adj. PAT growth | NM | NM | NM | 40.2% | 51.7% | 36.5% |
| Per share data | | | | | | |
| Adj. EPS (Rs) | 0.5 | -4.7 | 3.4 | 4.8 | 7.3 | 9.9 |
| Balance sheet assumptions | | | | | | |
| Avg. ROE | -3.0% | 1.8% | 13.0% | 13.2% | 17.2% | 19.5% |
| Avg. RoCE | 5.2% | 2.8% | 16.2% | 16.5% | 21.2% | 24.4% |
| Inventory days | 26 | 29 | 24 | 25 | 25 | 25 |
| Receivable days | 29 | 33 | 31 | 30 | 28 | 28 |
| Payable days | 67 | 50 | 57 | 65 | 65 | 65 |

Source: Company, Emkay Research

HUL: Improving external setting to aid performance

(BUY; TP: Rs2,900/share)

We have recently upgraded HUL to BUY from Add post-election results, where we see a renewed focus of the coalition government on consumption. This aligns well with improved seasonality aiding farm income and helping recovery in rural consumption. Structural initiatives by the government are poised to help improve consumption with a lag. While we see the need for improved business execution from HUL, there is a tactical opportunity for valuation catch-up that offers decent stock upside. We maintain BUY with Jun-26E TP of Rs2,900/sh. Key risks to our call are sustained rural demand weakness and Company's inability to drive growth across segments, amid management changes.

Exhibit 46: Hindustan Unilever: Changes to Emkay estimate

| (Rs mn) | New estimates | | | Old estimates | | Changes to our estimates | |
|-------------------|---------------|---------|---------|---------------|---------|--------------------------|-------|
| | FY25E | FY26E | FY27E | FY25E | FY26E | FY25E | FY26E |
| Net sales | 634,210 | 682,737 | 743,521 | 634,210 | 682,737 | 0% | 0% |
| Growth (%) | 6.1% | 7.7% | 8.9% | 6.1% | 7.7% | | |
| EBITDA | 151,410 | 167,021 | 185,366 | 152,177 | 167,021 | -1% | 0% |
| Growth (%) | 6.7% | 10.3% | 11.0% | 7.2% | 9.8% | | |
| EBITDA margin (%) | 23.9% | 24.5% | 24.9% | 24.0% | 24.5% | | |
| Adj PAT | 108,207 | 119,908 | 133,620 | 108,771 | 119,908 | -1% | 0% |
| Growth (%) | 8.4% | 10.8% | 11.4% | 8.9% | 10.2% | | |

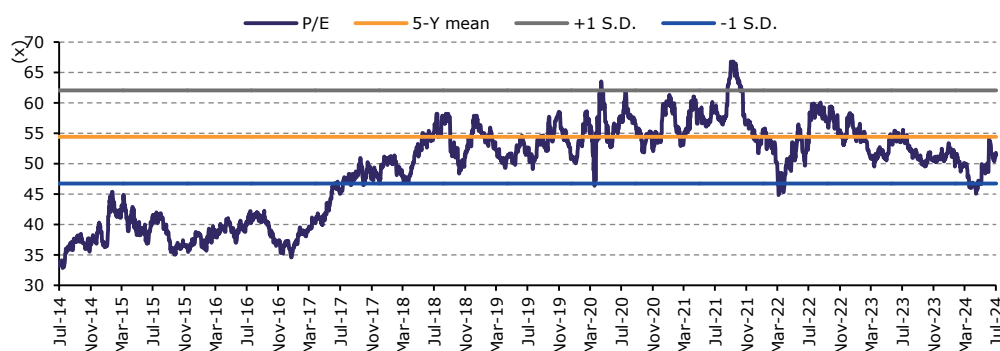
Source: Company, Emkay Research

Exhibit 47: Hindustan Unilever – Emkay estimates vs consensus expectations

| (Rs mn) | Emkay estimates | | | Consensus estimates | | | Emkay estimates vs consensus | | |
|---------------|-----------------|---------|---------|---------------------|---------|---------|------------------------------|-------|-------|
| | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E |
| Net sales | 634,210 | 682,737 | 743,521 | 646,441 | 701,965 | 768,049 | -2% | -3% | -3% |
| Growth | 6.1% | 7.7% | 8.9% | 8.2% | 8.6% | 9.4% | | | |
| EBITDA | 151,410 | 167,021 | 185,366 | 152,706 | 169,872 | 187,603 | -1% | -2% | -1% |
| Growth | 6.7% | 10.3% | 11.0% | 7.6% | 11.2% | 10.4% | | | |
| EBITDA margin | 23.9% | 24.5% | 24.9% | 23.6% | 24.2% | 24.4% | | | |
| Adj. PAT | 108,207 | 119,908 | 133,620 | 110,203 | 122,218 | 139,408 | -2% | -2% | -4% |
| Growth | 8.4% | 10.8% | 11.4% | 10.4% | 10.9% | 14.1% | | | |

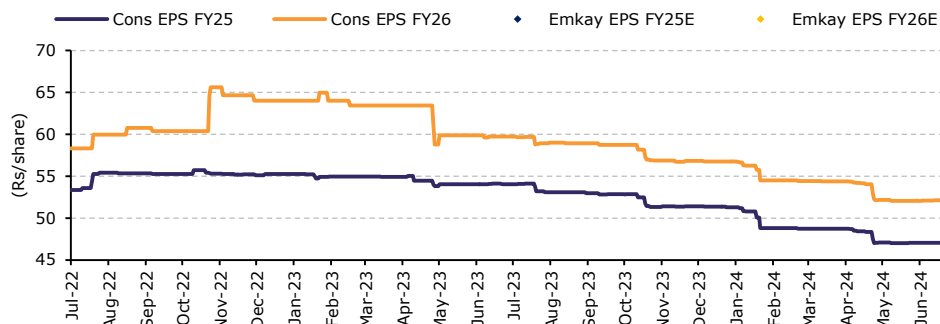
Source: Bloomberg, Emkay Research

Exhibit 48: Hindustan Unilever – One-year forward P/E (on consensus)



Source: Bloomberg, Emkay Research

Exhibit 49: Consensus EPS movement for FY25/FY26 and our expectations



Source: Bloomberg, Emkay Research

Exhibit 50: Hindustan Unilever – Key assumptions

| | FY21 | FY22 | FY23 | FY24 | FY25E | FY26E | FY27E |
|---------------------------|-------|-------|-------|-------|-------|-------|-------|
| Income statement | | | | | | | |
| Total income growth | 18.6% | 11.3% | 15.5% | 2.2% | 6.1% | 7.7% | 8.9% |
| Gross margin | 52.9% | 50.9% | 47.3% | 51.5% | 52.6% | 53.3% | 53.9% |
| Royalty | 2.6% | 2.7% | 2.7% | 3.2% | 3.4% | 3.5% | 3.5% |
| Advertisement | 10.3% | 9.2% | 8.2% | 10.6% | 11.4% | 11.9% | 11.9% |
| EBITDA margin | 24.6% | 24.4% | 23.0% | 23.5% | 23.6% | 24.2% | 24.6% |
| Tax rate | 25.7% | 25.9% | 26.0% | 27.5% | 26.6% | 26.5% | 26.5% |
| Adj PAT growth | 18.1% | 9.6% | 11.4% | 2.7% | 8.4% | 10.8% | 11.4% |
| EPS (Rs) | 33.89 | 37.12 | 41.36 | 42.49 | 46.05 | 51.02 | 56.86 |
| Balance Sheet | | | | | | | |
| ROE | 29% | 18% | 20% | 20% | 21% | 23% | 26% |
| ROCE | 37% | 24% | 25% | 26% | 27% | 30% | 33% |
| Inventory days | 27 | 28 | 25 | 23 | 24 | 24 | 23 |
| Receivable days | 13 | 14 | 17 | 16 | 17 | 17 | 17 |
| Payable days | 68 | 63 | 58 | 61 | 59 | 59 | 59 |
| Operating Profit | | | | | | | |
| Home care | 2.95 | 18.76 | 28.06 | 3.16 | 7.00 | 8.00 | 9.00 |
| Personal care | 5.55 | 8.33 | 12.18 | 1.53 | 7.00 | 8.00 | 9.00 |
| Food and refreshment | 78.55 | 6.82 | 5.47 | 2.80 | 5.00 | 7.00 | 9.00 |
| Operating Expenses | | | | | | | |
| Home care | 19.9 | 19.3 | 18.3 | 18.4 | 18.5 | 19.2 | 20.0 |
| Personal care | 28.5 | 27.5 | 25.6 | 26.2 | 26.2 | 27.0 | 27.5 |
| Food and refreshment | 16.6 | 18.6 | 17.9 | 18.6 | 19.0 | 19.3 | 19.5 |

Source: Company, Emkay Research

ITC: Long-term prospect in place, near-term pressure to limit upside

(ADD; TP: Rs470/share ▲)

We remain positive on ITC's growth prospect in the long run, but near-term pressure is likely to have a bearing on the stock. Segment performance is likely to see gradual improvement. For cigarettes, budget is crucial, wherein taxes are likely to see action. Amid the inflationary raw material setting, we see tax hikes as key for pass-through. We see flat taxation to be neutral, a mid-single digit tax hike to be positive, and a double-digit tax hike to be negative for ITC. The paper business is likely to remain under cyclical pressure and is expected to see recovery in 2HFY25. For Agri business, we expect the recovery in FY26E, where a better crop outlook may entice the government to lift export restrictions. As we roll over from Mar-26E to Jun-26E EPS, our SoTP-based TP increases from Rs460 to Rs470/sh. We maintain ADD.

Exhibit 51: ITC – SOTP-based valuation

| Segment | Valuation methodologies | Parameter | Jun-26 est. | Multiple (x) | Rs/share | Segment value (Rs bn) | Contribution |
|-----------------------------|-------------------------|----------------|-------------|--------------|------------|-----------------------|--------------|
| Cigarette | P/E (x) | EPS (Rs) | 12.56 | 18.0 | 226 | 2,809 | 48% |
| Other FMCG | EV/Sales (x) | Sales (Rs bn) | 269,820 | 6.0 | 129 | 1,603 | 27% |
| Agri | EV/Sales (x) | Sales (Rs bn) | 194,463 | 2.5 | 39 | 481 | 8% |
| Paper | EV/EBITDA (x) | EBITDA (Rs bn) | 25,628 | 5.0 | 10 | 127 | 2% |
| Hotel | EV/EBITDA (x) | EBITDA (Rs bn) | 12,877 | 22.0 | 23 | 281 | 5% |
| ITC Infotech | P/E (x) | EPS (Rs) | 0.59 | 24.0 | 14 | 175 | 3% |
| Net cash | | Actual | | 1.0 | 31 | 383 | 7% |
| Fair value | | | | | 471 | 5,859 | |
| Target price (Rs/sh) | | | | | 470 | | |

Source: Emkay Research

Exhibit 52: ITC: Changes to Emkay estimate

| (Rs mn) | New estimates | | | Old estimates | | Changes to our estimates | |
|-------------------|---------------|---------|---------|---------------|---------|--------------------------|-------|
| | FY25E | FY26E | FY27E | FY25E | FY26E | FY25E | FY26E |
| Net sales | 705,669 | 778,228 | 854,936 | 703,458 | 776,806 | 0% | 0% |
| Growth (%) | 7.8% | 10.3% | 9.9% | 7.5% | 10.4% | | |
| EBITDA | 267,664 | 298,811 | 348,558 | 272,276 | 303,380 | -2% | -2% |
| Growth (%) | 9.3% | 11.6% | 16.6% | 11.2% | 11.4% | | |
| EBITDA margin (%) | 37.9% | 38.4% | 40.8% | 38.7% | 39.1% | | |
| Adj PAT | 217,550 | 242,096 | 271,772 | 216,056 | 243,017 | 1% | 0% |
| Growth (%) | 9.0% | 11.3% | 12.3% | 8.2% | 12.5% | | |

Source: Company, Emkay Research

Exhibit 53: ITC – Emkay vs consensus estimates

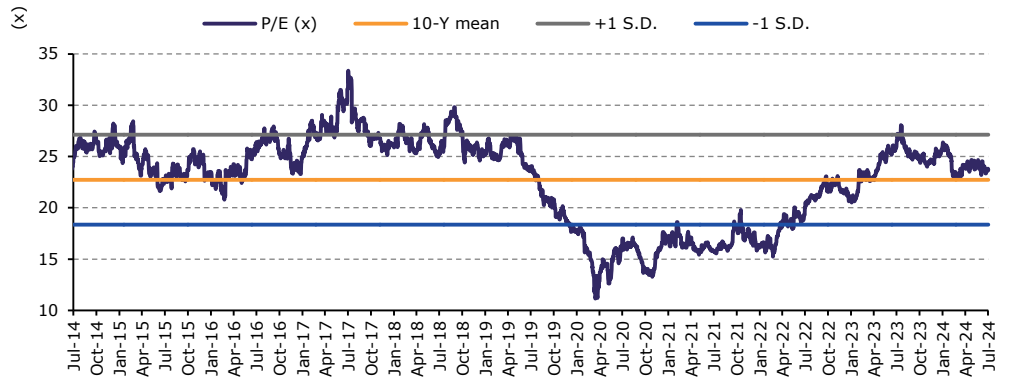
| (Rs mn) | Emkay estimates | | Consensus estimates | | Emkay estimates vs consensus | |
|---------------|-----------------|---------|---------------------|---------|------------------------------|-------|
| | FY25E | FY26E | FY25E | FY26E | FY25E | FY26E |
| Net sales | 705,669 | 778,228 | 731,873 | 796,779 | -4% | -2% |
| Growth | 7.8% | 10.3% | 11.8% | 8.9% | | |
| EBITDA | 267,664 | 298,811 | 275,907 | 304,740 | -3% | -2% |
| Growth | 9.3% | 11.6% | 12.7% | 10.4% | | |
| EBITDA margin | 37.9% | 38.4% | 37.7% | 38.2% | | |
| Adj. PAT | 217,550 | 242,096 | 219,328 | 242,802 | -1% | 0% |
| Growth | 9.0% | 11.3% | 9.9% | 10.7% | | |

Source: Company, Bloomberg

This report is intended for team.emkay@whitemarquesolutions.com use and downloaded at 07/11/2024 02:28 PM

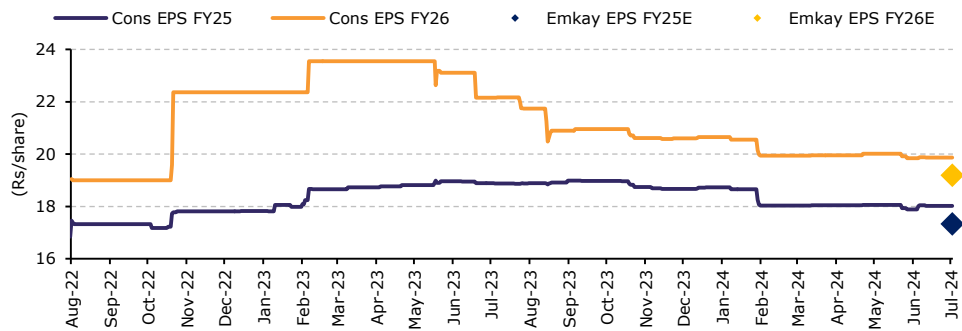
Emkay Research is also available on www.emkayglobal.com and Bloomberg EMKAY<GO>. Please refer to the last page of the report on Restrictions on Distribution. In Singapore, this research report or research analyses may only be distributed to Institutional Investors, Expert Investors or Accredited Investors as defined in the Securities and Futures Act, Chapter 289 of Singapore.

Exhibit 54: ITC – One-year forward P/E (on consensus)



Source: Bloomberg, Emkay Research

Exhibit 55: Consensus EPS movement for FY25/FY26 and our expectations



Source: Bloomberg, Emkay Research

Exhibit 56: ITC – Key assumptions

| | FY21 | FY22 | FY23 | FY24 | FY25E | FY26E | FY27E |
|----------------------------|-------|-------|-------|-------|-------|-------|-------|
| Segment assumptions | | | | | | | |
| Cigarette revenue growth | -4% | 15% | 20% | 8% | 5% | 8% | 13% |
| FMCG revenue growth | 3% | 12% | 20% | 9% | 8% | 10% | 12% |
| Hotel revenue growth | -66% | 105% | 102% | 16% | 12% | 12% | 10% |
| Agri revenue growth | 23% | 29% | 12% | -13% | 7% | 12% | 10% |
| Paper revenue growth | -8% | 36% | 19% | -8% | 6% | 9% | 10% |
| Cigarette volume growth | -13% | 16% | 20% | 3% | 4% | 3% | 2% |
| Earnings growth | -14% | 15% | 23% | 6% | 8% | 11% | 12% |
| Cigarette PBIT growth | -14% | 17% | 21% | 6% | 5% | 9% | 10% |
| FMCG PBIT growth | -11% | 17% | 22% | 8% | 6% | 11% | 11% |
| Hotel PBIT growth | - | -66% | - | 39% | 16% | 10% | 14% |
| Agri PBIT growth | 439% | 26% | 396% | -6% | 15% | 19% | 22% |
| Paper PBIT growth | 4% | 55% | 29% | -40% | 9% | 40% | 15% |
| As a % of revenue | | | | | | | |
| Gross margin | 56% | 53% | 56% | 59% | 59% | 60% | 62% |
| A&P spends as a % of sales | 3% | 2% | 2% | 2% | 2% | 2% | 2% |
| EBITDA margin | 34% | 34% | 36% | 37% | 38% | 38% | 41% |
| Per share data | | | | | | | |
| Adj. EPS (Rs/sh) | 10.59 | 12.22 | 15.00 | 15.99 | 17.34 | 19.19 | 21.43 |
| DPS (Rs/sh) | 15.13 | 10.99 | 15.50 | 13.75 | 15.50 | 17.00 | 18.50 |
| Balance sheet | | | | | | | |
| Avg. ROCE | 23% | 29% | 34% | 33% | 34% | 36% | 40% |
| Avg. RoE | 21% | 25% | 29% | 29% | 30% | 31% | 33% |
| Inventory days | 76 | 65 | 59 | 70 | 59 | 59 | 59 |
| Receivable days | 17 | 13 | 13 | 18 | 18 | 18 | 18 |
| Payable days | 33 | 27 | 24 | 25 | 29 | 29 | 29 |

Source: Company, Emkay Research

Marico: Enhanced execution is key for valuation

(REDUCE; TP: Rs630/share ▲)

Our last upgrade (ahead of Q4 results; on distribution expansion thrust) on Marico worked well and is reflected in a 19% run-up. With a valuation-capturing prospect, we now downgrade the rating to REDUCE. We see business pressure in hair care to sustain, where the VAHO portfolio remains impacted by intense competitive actions. For Edible oil, getting consumers on health proposition is key, and the peer set has increased intensity. In Foods, the company continues to do well on oats, but its ability to scale new businesses would be key ahead. As we roll over from Mar-26E to Jun-26E earning our TP increases from Rs600 to Rs630/sh. The announcement of a new CEO remains a key thing to watch out for in the near term.

Exhibit 57: Marico – Changes to Emkay estimates

| (Rs mn) | New estimates | | | Old estimates | | Changes to our estimates | |
|---------------|---------------|---------|---------|---------------|---------|--------------------------|-------|
| | FY25E | FY26E | FY27E | FY25E | FY26E | FY25E | FY26E |
| Net sales | 103,547 | 114,713 | 125,902 | 104,887 | 116,064 | -1% | -1% |
| Growth | 8.4% | 10.8% | 9.8% | 9.8% | 10.7% | | |
| EBITDA | 22,231 | 25,177 | 28,273 | 22,479 | 25,265 | -1% | 0% |
| Growth | 9.7% | 13.3% | 12.3% | 11.0% | 12.4% | | |
| EBITDA margin | 21.2% | 21.6% | 22.2% | 21.4% | 21.8% | | |
| Adj PAT | 16,117 | 18,404 | 20,643 | 16,307 | 18,338 | -1% | 0% |
| Growth | 8.8% | 14.2% | 12.2% | 10.1% | 12.5% | | |

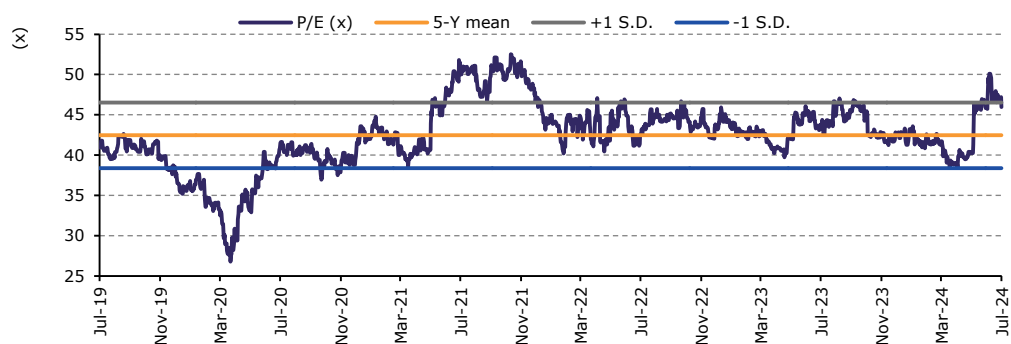
Source: Company, Emkay Research

Exhibit 58: Marico – Emkay estimates vs consensus expectations

| (Rs mn) | Emkay estimates | | | Consensus estimates | | | Emkay estimates vs consensus | | |
|---------------|-----------------|---------|---------|---------------------|---------|---------|------------------------------|-------|-------|
| | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E |
| Net sales | 103,547 | 114,713 | 125,902 | 106,271 | 117,598 | 127,508 | -3% | -2% | -1% |
| Growth | 8.4% | 10.8% | 9.8% | 11.2% | 10.7% | 8.4% | | | |
| EBITDA | 22,231 | 25,177 | 28,273 | 22,539 | 25,245 | 30,560 | -1% | 0% | -7% |
| Growth | 9.7% | 13.3% | 12.3% | 11.2% | 12.0% | 21.1% | | | |
| EBITDA margin | 21.2% | 21.6% | 22.2% | 21.2% | 21.5% | 24.0% | | | |
| Adj. PAT | 16,117 | 18,404 | 20,643 | 16,371 | 18,445 | 19,729 | -2% | 0% | 5% |
| Growth | 8.8% | 14.2% | 12.2% | 10.5% | 12.7% | 7.0% | | | |

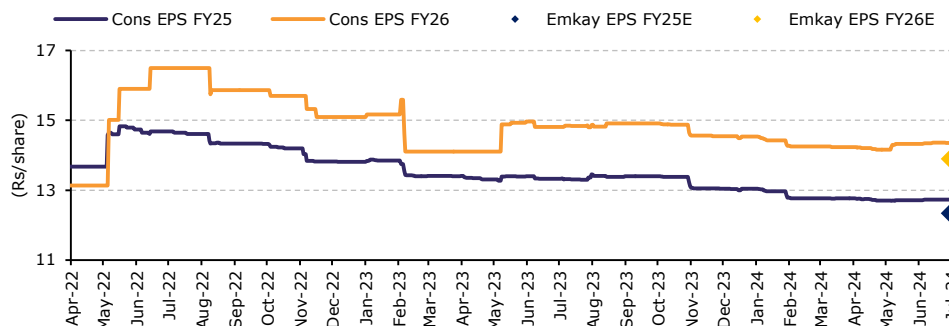
Source: Bloomberg, Emkay Research

Exhibit 59: Marico – One-year forward P/E (on consensus)



Source: Bloomberg, Emkay Research

Exhibit 60: Consensus EPS movement for FY25/FY26 and our expectations



Source: Bloomberg, Emkay Research

Exhibit 61: Marico — Key assumptions

| | FY21 | FY22 | FY23 | FY24 | FY25E | FY26E | FY27E |
|----------------------------|------|------|------|------|-------|-------|-------|
| Growth assumptions | | | | | | | |
| Sales growth | 10% | 18% | 3% | -1% | 9% | 11% | 10% |
| Domestic volume growth | 10% | 9% | -1% | 0% | 6% | 7% | 7% |
| EBITDA growth | 8% | 6% | 7% | 12% | 10% | 13% | 12% |
| Earnings growth | 10% | 6% | 6% | 14% | 9% | 14% | 12% |
| Margin assumptions | | | | | | | |
| Gross margin | 47% | 43% | 45% | 51% | 51% | 51% | 51% |
| A&P spends as a % of sales | 9% | 8% | 9% | 10% | 10% | 10% | 10% |
| EBITDA margin | 20% | 18% | 19% | 21% | 21% | 22% | 22% |
| Per share data | | | | | | | |
| Adj. EPS (Rs) | 9.0 | 9.6 | 10.1 | 11.5 | 12.5 | 14.3 | 16.0 |
| DPS (Rs) | 7.5 | 9.3 | 4.5 | 9.5 | 9.0 | 10.0 | 16.5 |
| Balance sheet | | | | | | | |
| Avg. ROCE | 42% | 43% | 42% | 44% | 46% | 47% | 51% |
| Avg. RoE | 37% | 37% | 36% | 39% | 40% | 40% | 43% |
| Inventory days | 51 | 54 | 46 | 51 | 50 | 50 | 50 |
| Receivable days | 18 | 25 | 38 | 40 | 24 | 24 | 24 |
| Payable days | 51 | 52 | 54 | 60 | 54 | 54 | 49 |

Source: Company, Emkay Research

Nestlé India: Enhanced execution reflect in valuations

(ADD; TP: Rs2,700/share ▲)

Nestlé India has sustained price action in a part of its portfolio amid inflationary pressures. Growth in the near term would be driven by price and mix, but volume recovery would be in sight if the RM setting turns favorable and on demand recovery. The management's tactical action to address noodles demand in low-unit packs is likely to help arrest competition. With sustained new product introductions across segments, we see a better growth outlook ahead. The valuation multiple of 65x (in line with its historical five-year average forward PER) factors in superior structural growth in the business and its capability to sustain double-digit earnings growth momentum. The company's thrust in the last couple of years has been toward widening direct distribution in rural regions (~20% of revenue), which would help in accelerating growth. As we roll over from Mar-26E to Jun-26E EPS, our TP increases from Rs2,600 to Rs2,700/sh. We maintain ADD.

Exhibit 62: Nestle India – Changes to Emkay estimates

| (Rs mn) | New estimates | | | Old estimates | | Changes to our estimates | |
|-------------------|---------------|---------|---------|---------------|---------|--------------------------|-------|
| | FY25E | FY26E | FY27E | FY25E | FY26E | FY25E | FY26E |
| Net sales | 214,896 | 238,693 | 263,358 | 214,213 | 238,014 | 0% | 0% |
| Growth (%) | 10.7% | 11.0% | 10.3% | 10.4% | 11.1% | | |
| EBITDA | 51,475 | 58,489 | 66,424 | 51,890 | 57,394 | -1% | 2% |
| Growth (%) | 10.0% | 13.6% | 13.6% | 10.9% | 10.6% | | |
| EBITDA margin (%) | 23.8% | 24.4% | 25.1% | 24.1% | 24.0% | | |
| Adj PAT | 34,412 | 38,920 | 43,824 | 34,721 | 38,615 | -1% | 1% |
| Growth (%) | 8.7% | 13.1% | 12.6% | 9.7% | 11.2% | | |

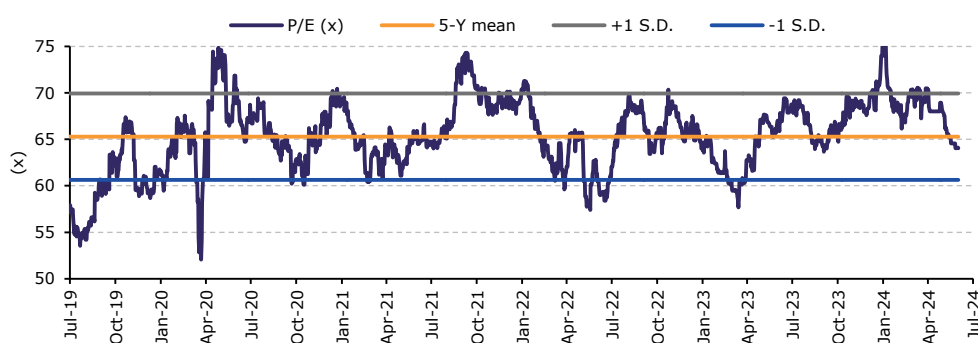
Source: Company, Emkay Research

Exhibit 63: Nestlé India – Emkay estimates vs consensus expectations

| (Rs mn) | Emkay estimates | | | Consensus estimates | | | Emkay estimates vs consensus | | |
|---------------|-----------------|---------|---------|---------------------|---------|---------|------------------------------|-------|-------|
| | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E |
| Net sales | 214,896 | 238,693 | 263,358 | 219,315 | 242,636 | 268,715 | -2% | -2% | -2% |
| Growth | 10.7% | 11.0% | 10.3% | 13.0% | 10.6% | 10.7% | | | |
| EBITDA | 51,475 | 58,489 | 66,424 | 54,121 | 61,011 | 69,801 | -5% | -4% | -5% |
| Growth | 10.0% | 13.6% | 13.6% | 15.7% | 12.7% | 14.4% | | | |
| EBITDA margin | 23.8% | 24.4% | 25.1% | 24.7% | 25.1% | 26.0% | | | |
| Adj. PAT | 34,412 | 38,920 | 43,824 | 36,582 | 41,273 | 45,027 | -6% | -6% | -3% |
| Growth | 8.7% | 13.1% | 12.6% | 15.5% | 12.8% | 9.1% | | | |

Source: Bloomberg, Emkay Research

Exhibit 64: Nestlé India – One-year forward P/E (on consensus)



Source: Bloomberg, Emkay Research

Exhibit 65: Nestlé India – Key assumptions

| | CY21 | CY22 | FY24 | FY25E | FY26E | FY27E |
|--------------------------------|--------|--------|--------|--------|--------|--------|
| Profit and loss account | | | | | | |
| Total income growth | 10.1% | 14.7% | 15.7% | 10.3% | 11.1% | 10.3% |
| Volume growth | 10.5% | 5.6% | 1.3% | 6.9% | 7.6% | 7.4% |
| Gross margin | 57.0% | 54.1% | 56.1% | 56.1% | 56.1% | 56.2% |
| Royalty | 4.9% | 4.9% | 4.9% | 5.0% | 5.3% | 4.9% |
| Advertisement | 5.2% | 4.1% | 6.0% | 5.7% | 6.0% | 5.5% |
| EBITDA margin | 24.3% | 22.2% | 24.0% | 24.1% | 24.0% | 25.1% |
| Tax rate | 23.9% | 26.2% | 25.5% | 25.5% | 25.5% | 25.5% |
| Adj. PAT growth | 12.5% | 3.3% | 30.0% | 9.7% | 11.2% | 13.0% |
| EPS (Rs) | 24.4 | 25.3 | 41.0 | 36.0 | 40.0 | 45.6 |
| Balance Sheet | | | | | | |
| ROE | 114.9% | 107.2% | 109.2% | 100.1% | 106.5% | 118.8% |
| ROCE | 152.3% | 145.6% | 145.0% | 133.4% | 141.6% | 159.4% |
| Inventory days | 39 | 42 | 39 | 32 | 32 | 32 |
| Receivable days | 4 | 4 | 6 | 4 | 4 | 3 |
| Payable days | 43 | 42 | 42 | 33 | 33 | 35 |

Source: Company, Emkay Research

Bikaji: Valuation factors business prospects; optionality to support

(ADD; TP: Rs775/share ▲)

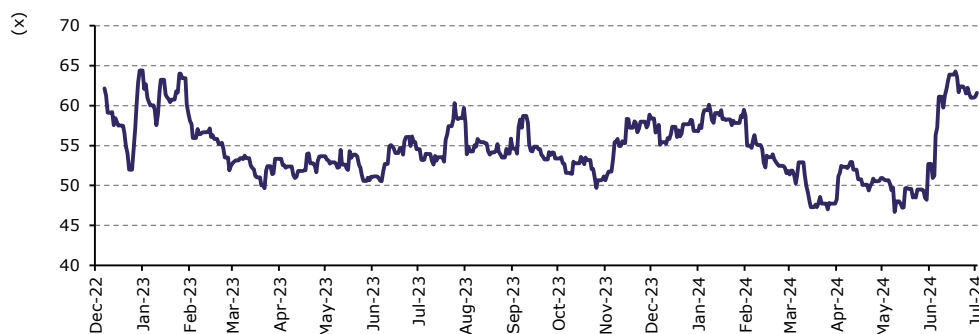
Following our initiation, Bikaji has been in a bull run, aided by relatively better execution and comfort on margins. Going ahead, we remain positive on Bikaji. However, a 26% run-up in the stock last month factors most positives on the base business. We remain positive and would recommend buying on any correction. We upgrade our valuation multiple to 55x from 48x, factoring in better earnings visibility that is likely to be aided by healthy topline growth and steady margin improvement. However, in the near term, we lower our margin assumption given the surge in competition. We see a valuation premium to sustain given optionality in the QSR foray, where the store rollout is expected to start from Q4FY25. We see any distribution-focused M&A to enhance the growth potential.

Exhibit 66: Bikaji – Changes to Emkay estimates

| (Rs mn) | New estimates | | | Old estimates | | Changes to our estimates | |
|-------------------|---------------|--------|--------|---------------|--------|--------------------------|-------|
| | FY25E | FY26E | FY27E | FY25E | FY26E | FY25E | FY26E |
| Net sales | 26,075 | 30,639 | 35,627 | 26,168 | 30,766 | 0% | 0% |
| Growth (%) | 0% | 0% | 0% | 0% | 18% | | |
| EBITDA | 4,315 | 5,116 | 6,047 | 4,445 | 5,245 | -3% | -2% |
| Growth (%) | 16.5% | 16.7% | 17.0% | 17.0% | 17.0% | | |
| EBITDA margin (%) | 10% | 19% | 18% | 14% | 18% | | |
| Adj PAT | 2,993 | 3,687 | 4,491 | 3,090 | 3,784 | -3% | -3% |
| Growth (%) | 13% | 23% | 22% | 16% | 22% | | |

Source: Company, Emkay Research

Exhibit 67: Bikaji – One-year forward P/E (on consensus)



Source: Bloomberg, Emkay Research

Exhibit 68: Bikaji — Key assumptions

| | FY21 | FY22 | FY23 | FY24 | FY25E | FY26E | FY27E |
|-----------------------------------|-------|--------|-------|--------|-------|-------|-------|
| Profit and loss account | | | | | | | |
| Revenue growth | 22.0% | 22.9% | 22.0% | 18.5% | 14.6% | 16.8% | 16.0% |
| Revenue growth (adj for PLI) | 22.0% | 22.9% | 22.0% | 13.7% | 16.7% | 17.5% | 16.3% |
| EBITDA growth | 53.0% | -3.6% | 53.1% | 83.2% | 10.3% | 18.6% | 18.2% |
| EBITDA growth (adj for PLI) | 53.0% | -3.6% | 53.1% | 39.6% | 24.4% | 23.8% | 20.3% |
| EBIT growth | 84.8% | -9.3% | 64.5% | 98.9% | 11.1% | 21.5% | 20.7% |
| PBT growth | 88.7% | -12.6% | 62.5% | 103.9% | 14.7% | 23.2% | 21.8% |
| Adjusted PAT growth | 60.3% | -15.8% | 66.5% | 109.9% | 12.6% | 23.2% | 21.8% |
| Adjusted PAT growth (adj for PLI) | 60.3% | -15.8% | 66.5% | 54.2% | 30.1% | 29.8% | 24.4% |
| Gross margin | 28.5% | 27.4% | 29.0% | 35.2% | 34.6% | 34.2% | 34.0% |
| Gross margin (adj for PLI) | 28.4% | 27.3% | 29.0% | 32.5% | 33.0% | 33.0% | 33.0% |
| EBITDA margin | 11.0% | 8.7% | 10.9% | 16.8% | 16.2% | 16.4% | 16.7% |
| EBITDA margin (adj for PLI) | 11.0% | 8.7% | 10.9% | 13.3% | 14.2% | 15.0% | 15.5% |
| Balance Sheet | | | | | | | |
| Inventory days | 16 | 17 | 15 | 13 | 15 | 15 | 15 |
| Receivable days | 13 | 17 | 15 | 17 | 15 | 15 | 15 |
| Payable days | 12 | 10 | 10 | 10 | 10 | 10 | 10 |
| Fixed Assets Turnover Ratio (x) | 2 | 2 | 2 | 2 | 2 | 3 | 3 |
| Avg ROE (%) | 15.9% | 10.7% | 14.3% | 24.5% | 22.5% | 23.3% | 24.1% |
| Avg ROCE (%) | 12.5% | 8.4% | 11.4% | 19.4% | 18.0% | 19.0% | 19.9% |
| Avg ROIC (%) | 18.9% | 13.7% | 17.0% | 27.7% | 28.6% | 34.5% | 39.7% |

Source: Company, Emkay Research

Appendix 1: Raw-material price trends

Exhibit 69: Quarterly food raw-material price trend

| Commodity | Units | Spot price | Q1FY23 | Q2FY23 | Q3FY23 | Q4FY23 | Q1FY24 | Q2FY24 | Q3FY24 | Q4FY24 | Q1FY25 | YoY Chg | QoQ Chg |
|------------------------------|----------------|------------|---------|---------|---------|---------|--------|--------|--------|--------|--------|---------|---------|
| Barley | Rs/Quintal | 2,055 | 3,176 | 3,076 | 3,132 | 2,518 | 2,053 | 1,928 | 2,114 | 2,723 | 2,160 | 5% | -21% |
| Wheat | Rs/Quintal | 2,550 | 2,270 | 2,456 | 2,790 | 2,260 | 2,388 | 2,508 | 2,700 | 2,691 | 2,542 | 6% | -6% |
| Wheat International | USD/bushel | 544 | 1,073 | 815 | 810 | 726 | 648 | 622 | 582 | 576 | 648 | 0% | 12% |
| Sugar | Rs/kg | 3,710 | 3,569 | 3,575 | 3,589 | 3,521 | 3,660 | 3,816 | 3,911 | 3,762 | 3,660 | 0% | -3% |
| Soy Bean | Rs/Quintal | 4,688 | 7,251 | 5,876 | 5,502 | 7,086 | 5,375 | 5,083 | 5,010 | 5,600 | 5,375 | 0% | -4% |
| Maize | Rs/Quintal | 2,420 | 2,263 | 2,417 | 2,480 | 2,257 | 1,882 | 2,067 | 2,263 | 2,352 | 1,882 | 0% | -20% |
| Crude Palm Oil – Kandla | Rs/10kg | 923 | 1,435 | 1,010 | 873 | 1,305 | 854 | 809 | 781 | 866 | 894 | 5% | 3% |
| Crude Palm Oil – Future | MYR/metric ton | 4,187 | 6,021 | 3,925 | 4,008 | 3,967 | 3,585 | 3,860 | 3,768 | 3,948 | 3,974 | 11% | 1% |
| Crude Palm Oil – Spot | MYR/metric ton | 4,375 | 6,453 | 3,971 | 3,931 | 4,017 | 3,840 | 3,802 | 3,678 | 4,006 | 4,038 | 5% | 1% |
| Crude Palm Oil – Spot | Rs/mt | 77,100 | 114,567 | 70,681 | 70,671 | 75,196 | 69,810 | 67,947 | 65,093 | 70,443 | 71,176 | 2% | 1% |
| Refined Palm Oil – Malaysian | USD/mt | 1,170 | 1,902 | 1,248 | 1,059 | 1,037 | 964 | 968 | 913 | 1,024 | 1,201 | 25% | 17% |
| Vanaspati Oil | Rs/15 kg tin | 1,700 | 2,540 | 1,882 | 1,704 | 1,623 | 1,674 | 1,647 | 1,525 | 1,573 | 1,670 | 0% | 6% |
| Soyabean Oil | Rs/Quintal | 10,100 | 15,193 | 12,405 | 12,985 | 11,525 | 9,621 | 9,341 | 9,096 | 9,220 | 9,492 | -1% | 3% |
| Liquid Milk | Rs/ltr | 57 | 54 | 56 | 56 | 55 | 55 | 54 | 48 | 44 | 54 | -1% | 23% |
| Milk – Cons Affairs | Rs/ltr | 61 | 51 | 55 | 56 | 50 | 57 | 58 | 58 | 57 | 59 | 3% | 3% |
| Sunflower Oil | Rs/10kg | 90,500 | 173,675 | 142,815 | 131,680 | 107,105 | 87,913 | 86,839 | 85,386 | 86,900 | 89,133 | 1% | 3% |
| Tea (Tea Board) | Rs/kg | 192 | 179 | 197 | 179 | 141 | 175 | 178 | 167 | 123 | 183 | 5% | 49% |
| Tea (Kolkata) | Rs/kg | 290 | 294 | 298 | 295 | 290 | 273 | 254 | 251 | 272 | 296 | 8% | 9% |
| Coffee – Arabica | USD/kg | 5 | 6 | 6 | 5 | 5 | 5 | 4 | 4 | 5 | 5 | 7% | 14% |

Source: Companies, NCDEX, Consumer Affairs, Tea Board, WPI, Bloomberg, Emkay Research

Exhibit 70: Quarterly non-food raw-material price trend

| Commodity | Units | Spot price | Q1FY23 | Q2FY23 | Q3FY23 | Q4FY23 | Q1FY24 | Q2FY24 | Q3FY24 | Q4FY24 | Q1FY25 | YoY Chg | QoQ Chg |
|-----------------------------------|------------|------------|---------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|
| Linear alkyl benzene (LAB) | Rs/kg | 119 | 143 | 144 | 132 | 142 | 122 | 115 | 122 | 117 | 119 | -3% | 2% |
| High-density polyethylene | Rs/mt | 87,159 | 114,671 | 95,092 | 89,866 | 93,869 | 86,244 | 87,158 | 84,055 | 86,790 | 85,972 | 0% | -1% |
| Mentha oil | Rs/kg | 950 | 1,249 | 1,172 | 1,180 | 1,251 | 1,176 | 1,054 | 1,021 | 1,020 | 1,007 | -14% | -1% |
| Crude | USD/barrel | 87 | 114 | 101 | 89 | 81 | 78 | 87 | 84 | 83 | 85 | 9% | 2% |
| Soda ash | Rs/50kg | 1,725 | 2,516 | 2,724 | 2,573 | 2,300 | 2,211 | 2,146 | 1,876 | 1,808 | 1,725 | -22% | -5% |
| Palm fatty acid distillate (PFAD) | USD/mt | 827 | 1,360 | 734 | 755 | 720 | 767 | 806 | 747 | 745 | 809 | 5% | 9% |
| Caustic soda | Rs/50kg | 2,275 | 4,703 | 3,727 | 3,382 | 3,883 | 3,292 | 3,140 | 2,694 | 2,328 | 2,253 | -32% | -3% |

Source: Companies, NCDEX, Consumer Affairs, Tea Board, WPI, Bloomberg, Emkay Research

Appendix 2: Raw-material mix for FMCG players

Exhibit 71: Raw material mix for our coverage universe

| Company | Key raw materials (Domestic) | Global dependence for raw material | Price hedging strategy |
|-----------|--|---|--|
| HUL | Palm oil 15-20% Soda Ash and LAB 25-30% HDPE ~20% Tea ~10% Sugar ~3% Maize ~3% Coffee ~3% Others 10-20% | 60-70% raw material (largely crude linked and palm oil) | For key raw material, enters physical and forward covers |
| GCPL | Palm oil ~35% HDPE ~20% Others ~45% | 50-60% raw material | For palm oil, enters physical and forward covers (2-3 months) |
| Britannia | Wheat 25% Palm oil 15% Sugar 20% Milk 10% HDPE 15% Others 15% | Limited global price dependence | For key raw material (primarily wheat and sugar), enters physical and forward covers |
| Marico | Copra c.50% Rice bran oil 10-15% Safflower oil 2-5% Sunflower 2-5% LLP 10% HDPE 10% Others 5-16% | 30% raw material | The company takes physical position depending on raw-material prices |
| Colgate | Sorbitol (Maize) 20% Mentha oil 20% Crude derivative 15% Essential oils 15% HDPE 10% Others 20% | 30-40% raw material | For key raw material, enters into physical and forward covers |
| Emami | Mentha oil 20% Soap stone powder 15-20% LLP 10% Paper 15% HDPE 10% Rice bran oil 5% Others 20-25% | 25-30% raw material | For key raw material, enters into physical and forward covers |

Source: Company, Emkay Research

Exhibit 72: Key raw material for HUL – We see ~1.6% YoY easing in the raw-material basket for Q1FY25E

| | RM mix | Q1FY23 | Q2FY23 | Q3FY23 | Q4FY23 | Q1FY24 | Q2FY24 | Q3FY24 | Q4FY24 | Q1FY25 | YoY | QoQ |
|----------|--------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| PFAD | 17% | 1,360 | 734 | 755 | 720 | 767 | 806 | 747 | 745 | 809 | 5.5% | 8.6% |
| Soda Ash | 17% | 2,516 | 2,724 | 2,573 | 2,300 | 2,211 | 2,146 | 1,876 | 1,808 | 1,725 | -22.0% | -4.6% |
| LAB | 10% | 143 | 144 | 132 | 127 | 122 | 115 | 122 | 117 | 119 | -2.8% | 1.8% |
| HDPE | 20% | 114,671 | 95,092 | 89,866 | 93,869 | 86,244 | 87,158 | 84,055 | 86,790 | 85,972 | -0.3% | -0.9% |
| Tea | 10% | 179 | 197 | 179 | 141 | 175 | 178 | 167 | 123 | 183 | 5.0% | 48.8% |
| Sugar | 3% | 1,073 | 815 | 810 | 726 | 648 | 622 | 582 | 576 | 648 | 0.0% | 12.5% |
| Maize | 3% | 7,251 | 5,876 | 5,502 | 7,086 | 5,375 | 2,067 | 2,263 | 2,352 | 1,882 | 0.0% | -20.0% |
| Coffee | 3% | 6 | 6 | 5 | 5 | 5 | 4 | 4 | 5 | 5 | 7.2% | 13.5% |

Source: Bloomberg, Emkay Research

This report is intended for team.emkay@whitemarquesolutions.com use and downloaded at 07/11/2024 02:28 PM

Emkay Research is also available on www.emkayglobal.com and Bloomberg EMKAY<GO>. Please refer to the last page of the report on Restrictions on Distribution. In Singapore, this research report or research analyses may only be distributed to Institutional Investors, Expert Investors or Accredited Investors as defined in the Securities and Futures Act, Chapter 289 of Singapore.

Exhibit 73: Key raw material for Godrej Consumer – We see ~5.0% YoY increase in the raw-material basket for Q1FY25E

| | RM mix | Q1FY23 | Q2FY23 | Q3FY23 | Q4FY23 | Q1FY24 | Q2FY24 | Q3FY24 | Q4FY24 | Q1FY25 | YoY | QoQ |
|-------------------|--------|---------|--------|--------|--------|--------|--------|--------|--------|--------|-------|-------|
| Palm oil (PFAD) | 35% | 1,360 | 734 | 755 | 720 | 767 | 806 | 747 | 745 | 809 | 5.5% | 8.6% |
| HDPE | 20% | 114,671 | 95,092 | 89,866 | 93,869 | 86,244 | 87,158 | 84,055 | 86,798 | 85,972 | -0.3% | -0.9% |
| Crude derivatives | 25% | 114 | 101 | 89 | 81 | 78 | 87 | 84 | 83 | 85 | 8.8% | 2.2% |

Source: Bloomberg, Emkay Research

Exhibit 74: Key raw material for Britannia – We see ~2.9% YoY increase in the raw-material basket for Q1FY25E

| | RM mix | Q1FY23 | Q2FY23 | Q3FY23 | Q4FY23 | Q1FY24 | Q2FY24 | Q3FY24 | Q4FY24 | Q1FY25 | YoY | QoQ |
|------------------|--------|---------|--------|--------|--------|--------|--------|--------|--------|--------|-------|-------|
| Wheat | 25% | 2,270 | 2,456 | 2,790 | 2,260 | 2,388 | 2,508 | 2,700 | 2,691 | 2,542 | 6.4% | -5.5% |
| Palm oil (Crude) | 15% | 1,435 | 1,010 | 873 | 1,305 | 854 | 809 | 781 | 866 | 894 | 4.7% | 3.3% |
| Sugar | 20% | 1,073 | 815 | 810 | 726 | 648 | 622 | 582 | 576 | 648 | 0.0% | 12.5% |
| Milk | 10% | 54 | 56 | 56 | 55 | 55 | 54 | 48 | 44 | 54 | -1.4% | 22.9% |
| HDPE | 15% | 114,671 | 95,092 | 89,866 | 93,869 | 86,244 | 87,158 | 84,055 | 86,790 | 85,792 | -0.3% | -0.9% |

Source: Bloomberg, Emkay Research

Exhibit 75: Key raw material for Colgate India – We see ~0.2% YoY increase in the raw-material basket for Q1FY25E

| | RM mix | Q1FY23 | Q2FY23 | Q3FY23 | Q4FY23 | Q1FY24 | Q2FY24 | Q3FY24 | Q4FY24 | Q1FY25 | YoY | QoQ |
|------------------|--------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Sorbitol (Maize) | 20% | 2,263 | 2,417 | 2,480 | 2,257 | 1,882 | 2,067 | 2,263 | 2,352 | 1,882 | 0.0% | -20.0% |
| Mentha oil | 20% | 1,249 | 1,172 | 1,180 | 1,251 | 1,176 | 1,054 | 1,021 | 1,020 | 1,007 | -14.4% | -1.3% |
| Crude derivative | 15% | 114 | 101 | 89 | 81 | 78 | 87 | 84 | 83 | 85 | 8.8% | 2.2% |
| HDPE | 10% | 114,671 | 95,092 | 89,866 | 93,869 | 86,244 | 87,158 | 84,055 | 86,790 | 85,972 | -0.3% | -0.9% |

Source: Company, Bloomberg

Exhibit 76: Key raw material for Marico – We see flat prices in the raw-material basket for Q1FY25E

| | RM mix | Q1FY23 | Q2FY23 | Q3FY23 | Q4FY23 | Q1FY24 | Q2FY24 | Q3FY24 | Q4FY24 | Q1FY25 | YoY | QoQ |
|---------------|--------|---------|--------|--------|--------|--------|--------|--------|--------|--------|-------|-------|
| Copra | 50% | 8,997 | 8,609 | 8,675 | 8,866 | 8,343 | 8,437 | 9,111 | 9,483 | 10,083 | 20.9% | 6.3% |
| Rice bran oil | 12% | 1,268 | 1,082 | 1,042 | 877 | 787 | 835 | 760 | 772 | 815 | 20.9% | 6.3% |
| Sunflower oil | 3% | 1,841 | 1,509 | 1,389 | 1,124 | 927 | 58,326 | 65,120 | 66,171 | 89,133 | 31.3% | 34.7% |
| LLP | 10% | 77 | 80 | 76 | 77 | 77 | 77 | 84 | 84 | 82 | 6.1% | -2.4% |
| HDPE | 10% | 114,671 | 95,092 | 89,866 | 93,869 | 86,244 | 87,158 | 84,055 | 86,798 | 85,792 | -0.3% | -0.9% |

Source: Company, Bloomberg

Exhibit 77: Key raw material for Dabur – We see ~2.5% YoY increase in the raw-material basket for Q1FY25E

| | RM mix | Q1FY23 | Q2FY23 | Q3FY23 | Q4FY23 | Q1FY24 | Q2FY24 | Q3FY24 | Q4FY24 | Q1FY25 | YoY | QoQ |
|---------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|--------|
| LLP | 15% | 77 | 80 | 76 | 77 | 77 | 77 | 84 | 84 | 82 | 6.1% | -2.4% |
| HDPE | 15% | 151 | 140 | 130 | 133 | 128 | 126 | 84,055 | 86,798 | 85,792 | -0.3% | -0.9% |
| Vegetable oil | 15% | 2,540 | 1,882 | 1,704 | 1,623 | 1,674 | 1,647 | 1,525 | 1,573 | 1,670 | -0.3% | 6.1% |
| Juice concentrate (Maize) | 12% | 2,263 | 2,417 | 2,480 | 2,257 | 1,882 | 2,067 | 2,263 | 2,352 | 1,882 | 0.0% | -20.0% |
| Honey (Sugar) | 10% | 1,073 | 815 | 810 | 726 | 648 | 622 | 582 | 576 | 648 | 0.0% | 12.5% |

Source: Company, Bloomberg

This report is intended for team.emkay@whitemarquesolutions.com use and downloaded at 07/11/2024 02:28 PM

Emkay Research is also available on www.emkayglobal.com and Bloomberg EMKAY<GO>. Please refer to the last page of the report on Restrictions on Distribution. In Singapore, this research report or research analyses may only be distributed to Institutional Investors, Expert Investors or Accredited Investors as defined in the Securities and Futures Act, Chapter 289 of Singapore.

Exhibit 78: Key raw material for Emami – We see flat prices in the raw-material basket for Q1FY25E

| | RM mix | Q1FY23 | Q2FY23 | Q3FY23 | Q4FY23 | Q1FY24 | Q2FY24 | Q3FY24 | Q4FY24 | Q1FY25 | YoY | QoQ |
|---------------|------------|---------|--------|--------|--------|--------|--------|--------|--------|--------|---------------|--------------|
| Mentha Oil | 10% | 1,249 | 1,172 | 1,180 | 1,251 | 1,176 | 1,054 | 1,021 | 1,018 | 1,007 | -14.4% | -1.3% |
| LLP | 17% | 77 | 80 | 76 | 77 | 77 | 77 | 84 | 84 | 82 | 6.1% | -2.4% |
| HDPE | 20% | 114,671 | 95,092 | 89,866 | 93,869 | 86,244 | 87,158 | 84,055 | 86,798 | 85,972 | -0.3% | -0.9% |
| Rice bran oil | 5% | 1,268 | 1,082 | 1,042 | 877 | 787 | 835 | 760 | 772 | 815 | -0.3% | -0.9% |

Source: Company, Bloomberg

Appendix 3: Key FMCG categories' product MRP

Exhibit 79: Soap brands – SKU prices

| Brand | Company | Tracked SKU | | Q123 | Q223 | Q323 | Q423 | Q124 | Q224 | Q324 | Q424 | Q125 | YoY |
|----------------------------|----------------|-------------|-----|----------|------|------|------|------|------|------|------|------|--------|
| | | gm | Rs | Rs/100gm | | | | | | | | | |
| Pears | HUL | 125 | 100 | 73.3 | 80.0 | 78.7 | 76.0 | 80.0 | 80.0 | 80.0 | 80.0 | 80.0 | 0.0% |
| Dove | HUL | 375 | 262 | 70.2 | 74.7 | 74.7 | 74.7 | 74.7 | 70.4 | 68.3 | 68.3 | 69.3 | -7.1% |
| Dove | HUL | 100 | 60 | 59.3 | 64.0 | 64.0 | 64.0 | 64.0 | 64.7 | 65.0 | 65.0 | 61.7 | -3.6% |
| Lux - Creamy white | HUL | 125 | 83 | 57.3 | 63.5 | 66.4 | 66.4 | 66.4 | 66.4 | 66.4 | 66.4 | 66.4 | 0.0% |
| Pears | HUL | 375 | 228 | 57.8 | 65.2 | 67.2 | 67.2 | 67.2 | 67.2 | 60.8 | 60.8 | 60.8 | -9.5% |
| Dettol - Original | Reckitt | 125 | 67 | 55.0 | 57.9 | 53.6 | 53.6 | 52.4 | 50.0 | 48.0 | 49.9 | 53.6 | 2.3% |
| Rexona | HUL | 100 | 51 | 47.6 | 48.0 | 48.0 | 51.3 | 51.3 | 51.3 | 51.3 | 51.3 | 51.3 | 0.0% |
| Lux - Sandal and Cream | HUL | 150 | 60 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 0.0% |
| Hamam | HUL | 100 | 41 | 34.7 | 35.3 | 36.0 | 38.0 | 38.7 | 39.0 | 41.0 | 41.0 | 41.0 | 6.0% |
| Cinthol Black | GCPL | 400 | 192 | 46.3 | 52.4 | 54.7 | 52.0 | 61.5 | 61.5 | 48.0 | 48.0 | 48.0 | -22.0% |
| Cinthol Black | GCPL | 100 | 48 | 39.0 | 40.0 | 41.3 | 40.0 | 40.0 | 40.0 | 48.0 | 48.7 | 48.0 | 20.0% |
| Santoor | Wipro Consumer | 150 | 54 | 33.3 | 36.0 | 36.7 | 38.0 | 38.0 | 38.0 | 36.0 | 36.0 | 36.0 | -5.3% |
| Lux - Soft touch | HUL | 100 | 40 | 35.0 | 36.3 | 36.7 | 36.0 | 36.0 | 36.0 | 36.0 | 36.0 | 40.0 | 11.1% |
| Lifebuoy Total | HUL | 125 | 40 | 28.8 | 28.8 | 28.8 | 28.8 | 28.8 | 28.8 | 32.0 | 32.0 | 32.0 | 11.1% |
| Godrej No.1 Natural/Sandal | GCPL | 135 | 32 | 27.7 | 28.0 | 27.7 | 27.0 | 27.0 | 27.0 | 25.0 | 24.3 | 24.0 | -11.1% |

Source: Emkay Research

Exhibit 80: Detergent brands – SKU prices

| Brand | Company | Tracked SKU | | Q123 | Q223 | Q323 | Q423 | Q124 | Q224 | Q324 | Q424 | Q125 | YoY |
|-----------------------------------|------------|-------------|-----|-------|------|------|------|------|------|------|------|------|--------|
| | | gm | Rs | Rs/kg | | | | | | | | | |
| Surf Excel Matic Front Load | HUL | 1,000 | 290 | 253 | 260 | 270 | 290 | 290 | 290 | 290 | 290 | 290 | 0.0% |
| Ariel Matic Complete - Front Load | P&G | 1,000 | 315 | 268 | 292 | 295 | 308 | 315 | 315 | 315 | 315 | 315 | 0.0% |
| Surf Excel Matic Top Load | HUL | 1,000 | 270 | 257 | 263 | 270 | 270 | 270 | 270 | 270 | 270 | 270 | 0.0% |
| Ariel Matic Complete - Top Load | P&G | 1,000 | 290 | 245 | 265 | 290 | 290 | 290 | 290 | 290 | 290 | 290 | 0.0% |
| Henko Matic - Front Load | Jyothy Lab | 1,000 | 450 | 395 | 400 | 390 | 390 | 390 | 410 | 450 | 450 | 450 | 15.4% |
| Ariel Complete | P&G | 700 | 160 | 226 | 239 | 240 | 242 | 247 | 229 | 220 | 226 | 229 | -7.5% |
| Ariel Complete | P&G | 1,500 | 342 | 229 | 241 | 247 | 247 | 247 | 229 | 220 | 223 | 228 | -7.6% |
| Henko Matic - Top Load | Jyothy Lab | 1,000 | 270 | 207 | 220 | 220 | 220 | 220 | 237 | 270 | 270 | 270 | 22.7% |
| Surf Excel Quickwash | HUL | 500 | 115 | 234 | 240 | 240 | 240 | 220 | 220 | 220 | 224 | 229 | 3.9% |
| Surf Excel Quickwash | HUL | 1,000 | 230 | 229 | 238 | 240 | 240 | 233 | 220 | 220 | 224 | 229 | -2.0% |
| Surf Excel - Easy wash | HUL | 500 | 76 | 140 | 150 | 150 | 159 | 150 | 150 | 150 | 150 | 152 | -4.6% |
| Henko Stain care | Jyothy Lab | 1,000 | 130 | 140 | 140 | 140 | 152 | 158 | 149 | 130 | 130 | 130 | -17.7% |
| Surf Excel - Easy wash | HUL | 1,500 | 235 | 147 | 153 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 0.0% |
| Tide Plus | P&G | 1,000 | 146 | 129 | 133 | 139 | 146 | 140 | 140 | 144 | 144 | 146 | 4.3% |
| Rin - Advanced detergent powder | HUL | 500 | 56 | 96 | 103 | 108 | 108 | 108 | 108 | 108 | 111 | 112 | 3.7% |
| Tide Naturals - Lemon & Chandan | P&G | 500 | 45 | 78 | 80 | 82 | 82 | 82 | 82 | 90 | 90 | 90 | 9.8% |
| Ghari | RSPL | 1,000 | 71 | 63 | 70 | 71 | 71 | 71 | 71 | 71 | 71 | 71 | 0.0% |

Source: Emkay Research

Exhibit 81: Toothpaste brand – SKU prices

| Brand | Company | Tracked SKU | | Q123 | Q223 | Q323 | Q423 | Q124 | Q224 | Q324 | Q424 | Q125 | YoY |
|---|---------|-------------|-----|----------|------|------|------|------|------|------|------|------|-------|
| | | gm | Rs | Rs/100gm | | | | | | | | | |
| Sensodyne Rapid Relief | GSK | 80 | 200 | 213 | 213 | 213 | 225 | 213 | 217 | 225 | 233 | 246 | 15.7% |
| Sensodyne Whitening | GSK | 70 | 150 | 193 | 193 | 195 | 200 | 193 | 195 | 207 | 207 | 214 | 11.1% |
| Sensodyne Repair and Protect | GSK | 70 | 215 | 264 | 264 | 264 | 279 | 279 | 279 | 279 | 288 | 302 | 8.5% |
| Colgate Barbie | Colgate | 80 | 162 | 138 | 150 | 158 | 160 | 160 | 168 | 203 | 203 | 203 | 26.6% |
| Colgate Spiderman | Colgate | 80 | 162 | 116 | 143 | 158 | 160 | 160 | 168 | 184 | 190 | 203 | 26.6% |
| Colgate 2-5 years - Anticavity - Strawberry Flavour | Colgate | 40 | 85 | 124 | 133 | 133 | 133 | 133 | 148 | 178 | 189 | 213 | 60.4% |
| Colgate Visible White | Colgate | 100 | 190 | 135 | 151 | 154 | 154 | 154 | 158 | 165 | 182 | 190 | 23.4% |
| Colgate Charcoal Clean | Colgate | 120 | 190 | 100 | 113 | 119 | 119 | 138 | 140 | 144 | 154 | 158 | 15.2% |
| Colgate Sensitive Clove | Colgate | 160 | 195 | 78 | 78 | 78 | 78 | 78 | 91 | 116 | 120 | 122 | 56.0% |
| Vicco Vajradanti | Vicco | 100 | 82 | 73 | 73 | 73 | 73 | 77 | 77 | 77 | 80 | 82 | 6.5% |
| Colgate Strong Teeth Calci-lock protection | Colgate | 200 | 135 | 54 | 55 | 55 | 57 | 62 | 63 | 65 | 67 | 68 | 9.5% |
| Pepsodent Gumcare + | HUL | 140 | 113 | 70 | 70 | 71 | 74 | 74 | 74 | 74 | 79 | 81 | 8.7% |
| Pepsodent Whitening | HUL | 150 | 110 | 67 | 67 | 67 | 67 | 67 | 67 | 67 | 71 | 73 | 10.0% |
| Colgate Max Fresh - Blue | Colgate | 150 | 136 | 72 | 73 | 73 | 80 | 83 | 83 | 91 | 91 | 91 | 8.8% |
| Colgate Max Fresh - Red Spicy Fresh | Colgate | 81 | 83 | 84 | 89 | 93 | 85 | 80 | 79 | 84 | 87 | 103 | 28.8% |
| Colgate Total Charcoal Deep Clean (Black right pacht) | Colgate | 120 | 190 | 101 | 104 | 104 | 133 | 133 | 137 | 144 | 151 | 158 | 18.8% |
| Pepsodent 2 in 1 | HUL | 150 | 110 | 65 | 65 | 65 | 65 | 65 | 65 | 65 | 67 | 72 | 11.0% |
| Pepsodent Whitening | HUL | 150 | 110 | 67 | 67 | 67 | 67 | 67 | 67 | 67 | 71 | 73 | 10.0% |
| Closeup Red Hot - 150 gm SKU | HUL | 150 | 125 | 61 | 61 | 61 | 61 | 61 | 65 | 73 | 80 | 83 | 35.9% |
| Colgate Dental Cream | Colgate | 100 | 69 | 61 | 63 | 63 | 65 | 69 | 69 | 69 | 69 | 69 | 0.0% |
| Meswak | Dabur | 200 | 136 | 54 | 55 | 56 | 56 | 56 | 60 | 60 | 63 | 67 | 19.6% |
| Colgate Swarna Vedshakti | Colgate | 100 | 75 | 62 | 64 | 65 | 67 | 67 | 68 | 70 | 72 | 75 | 11.9% |
| Colgate active salt | Colgate | 200 | 145 | 56 | 58 | 58 | 63 | 63 | 64 | 66 | 69 | 73 | 16.0% |
| Colgate Dental Cream | Colgate | 150 | 92 | 57 | 58 | 59 | 59 | 59 | 60 | 61 | 61 | 61 | 4.5% |

Source: Emkay Research

Exhibit 82: Hair oil brand – SKU prices

| Brand | Company | Tracked SKU | | Q123 | Q223 | Q323 | Q423 | Q124 | Q224 | Q324 | Q424 | Q125 | YoY |
|---------------------------------------|----------------|-------------|-----|-----------|------|------|------|------|------|------|------|------|-------|
| | | ml | Rs | Rs/100 ml | | | | | | | | | |
| Indulekha | HUL | 100 | 432 | 432 | 432 | 432 | 432 | 432 | 432 | 432 | 432 | 432 | 0.0% |
| Navratna | Emami | 100 | 85 | 82 | 82 | 84 | 85 | 85 | 85 | 85 | 85 | 85 | 0.0% |
| Navratna | Emami | 200 | 170 | 75 | 75 | 75 | 75 | 75 | 75 | 85 | 85 | 85 | 13.3% |
| Bajaj Almond Drops | Bajaj Consumer | 95 | 72 | 71 | 74 | 74 | 74 | 74 | 74 | 76 | 76 | 76 | 2.9% |
| Dabur Almond | Dabur | 100 | 76 | 70 | 70 | 70 | 70 | 70 | 71 | 74 | 74 | 75 | 7.3% |
| 7 Oils in 1 | Emami | 200 | 135 | 65 | 65 | 66 | 67 | 66 | 66 | 68 | 68 | 68 | 2.3% |
| Hair and Care | Marico | 100 | 60 | 60 | 60 | 60 | 62 | 62 | 62 | 62 | 62 | 61 | -2.2% |
| Parachute advanced hot oil | Marico | 190 | 115 | 58 | 58 | 58 | 58 | 58 | 58 | 58 | 58 | 61 | 4.5% |
| Parachute Advanced Aloe Vera Enriched | Marico | 150 | 77 | 53 | 52 | 52 | 52 | 51 | 51 | 51 | 51 | 51 | 1.3% |
| Dabur Amla | Dabur | 180 | 97 | 50 | 50 | 51 | 53 | 53 | 54 | 54 | 54 | 54 | 2.1% |
| Dabur Sarso Amla | Dabur | 175 | 62 | 31 | 33 | 34 | 34 | 35 | 35 | 35 | 37 | 35 | 0.0% |
| Parachute | Marico | 200 | 97 | 41 | 41 | 43 | 42 | 44 | 43 | 40 | 43 | 47 | 8.4% |
| Parachute | Marico | 300 | 138 | 39 | 39 | 35 | 34 | 41 | 38 | 38 | 41 | 45 | 8.3% |
| Parachute Jasmine | Marico | 190 | 86 | 44 | 44 | 44 | 44 | 45 | 44 | 45 | 45 | 45 | -0.4% |
| Nihar Shanti Amla | Marico | 300 | 115 | 28 | 28 | 30 | 30 | 35 | 35 | 35 | 37 | 38 | 9.5% |

Source: Emkay Research

This report is intended for team.emkay@whitemarquesolutions.com use and downloaded at 07/11/2024 02:28 PM

Emkay Research is also available on www.emkayglobal.com and Bloomberg EMKAY<GO>. Please refer to the last page of the report on Restrictions on Distribution. In Singapore, this research report or research analyses may only be distributed to Institutional Investors, Expert Investors or Accredited Investors as defined in the Securities and Futures Act, Chapter 289 of Singapore.

Exhibit 83: Edible oil brands – SKU prices

| Brand | Company | Tracked SKU | | Q123 | Q223 | Q323 | Q423 | Q124 | Q224 | Q324 | Q424 | Q125 | YoY |
|--|---------------------|-------------|-----|--------|------|------|------|------|------|------|------|------|--------|
| | | ltr | Rs | Rs/ltr | | | | | | | | | |
| Sundrop Superlite Advanced | Agro Tech | 1.0 | 185 | 252 | 265 | 265 | 265 | 265 | 180 | 185 | 185 | 185 | -30.2% |
| Fortune Sunlite refined Sunflower Oil (fortified) | Adani Wilmar | 1.0 | 111 | 243 | 243 | 245 | 189 | 188 | 145 | 135 | 135 | 119 | -36.8% |
| Sundrop Heart Oil | Agro Tech | 1.0 | 200 | 210 | 228 | 207 | 200 | 222 | 200 | 200 | 200 | 200 | -9.8% |
| Dalda imported refined sunflower oil (fortified) | Bunge India Pvt Ltd | 1.0 | 140 | 225 | 228 | 236 | 206 | 225 | 225 | 145 | 143 | 140 | -37.8% |
| Sundrop Goldlite | Agro Tech | 1.0 | 195 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 195 | -35.0% |
| Sunny refined sunflower oil - Lite | Frigorifico | 1.0 | 140 | 199 | 211 | 220 | 220 | 198 | 140 | 140 | 140 | 140 | -29.2% |
| Sunday imported refined sunflower oil - Liberty | Liberty Oil | 1.0 | 135 | 235 | 235 | 235 | 235 | 215 | 175 | 163 | 140 | 135 | -37.2% |
| Nature Fresh Acti-lite refined sunflower oil | Cargill | 1.0 | 145 | 217 | 240 | 240 | 240 | 227 | 227 | 178 | 178 | 145 | -36.0% |
| Gemini Refined Sunflower oil Enriched with Nutri-V (fortified) | Cargill | 1.0 | 140 | 215 | 215 | 202 | 195 | 202 | 145 | 155 | 148 | 140 | -30.6% |
| Sweekar refined sunflower oil | Cargill | 1.0 | 145 | 220 | 240 | 223 | 190 | 192 | 147 | 150 | 150 | 147 | -23.5% |
| Saffola Gold | Marico | 1.0 | 180 | 237 | 217 | 197 | 190 | 177 | 160 | 160 | 160 | 173 | -1.9% |
| Fortune Vivo rice bran oil | Adani Wilmar | 1.0 | 180 | 218 | 225 | 216 | 199 | 199 | 199 | 199 | 186 | 180 | -9.5% |
| Saffola Active | Marico | 1.0 | 160 | 232 | 213 | 199 | 199 | 173 | 160 | 160 | 160 | 160 | -7.7% |
| Saffola Tasty | Marico | 1.0 | 150 | 225 | 207 | 177 | 170 | 170 | 150 | 150 | 150 | 150 | -11.8% |
| Sunrich refined sunflower oil (fortified) | Agro Tech | 1.0 | 134 | 225 | 225 | 225 | 194 | 198 | 198 | 152 | 140 | 134 | -32.3% |
| Fortune rice bran oil (Fortified) | Adani Wilmar | 1.0 | 149 | 199 | 199 | 199 | 199 | 185 | 165 | 160 | 149 | 149 | -19.5% |
| Ricela physically refined rice bran oil | A P Organics | 1.0 | 160 | 218 | 230 | 221 | 198 | 198 | 172 | 165 | 149 | 156 | -21.0% |
| Riso 100% rice bran oil | Kamani Foods | 1.0 | 165 | 207 | 237 | 240 | 240 | 230 | 210 | 165 | 165 | 165 | -28.3% |
| Sundrop Nutrilite | Agro Tech | 1.0 | 150 | 215 | 253 | 280 | 280 | 237 | 150 | 150 | 150 | 150 | -36.6% |
| Aadhaar - Refined sunflower oil | Adani Wilmar | 0.9 | 112 | 192 | 225 | 211 | 184 | 167 | 133 | 128 | 130 | 124 | -25.7% |

Source: Emkay Research

Exhibit 84: Biscuits brands – SKU prices

| Brand | Company | Tracked SKU | | Q123 | Q223 | Q323 | Q423 | Q124 | Q224 | Q324 | Q424 | Q125 | YoY |
|-----------------------------------|-----------|-------------|----|----------|------|------|------|------|------|------|------|------|-------|
| | | gm | Rs | Rs/100gm | | | | | | | | | |
| Britannia Pure Magic Deuce | Britannia | 60 | 40 | 67 | 67 | 67 | 67 | 67 | 67 | 67 | 67 | 67 | 0.0% |
| Britannia NutriChoice Cookie Oats | Britannia | 150 | 75 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 49 | 50 | 0.0% |
| Sunfeast Dark Fantasy Chocolate | ITC | 75 | 40 | 47 | 47 | 49 | 53 | 53 | 53 | 53 | 53 | 53 | 0.0% |
| Parle Hide & Seek Bourbon | Parle | 100 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 0.0% |
| Britannia Jim Jam | Britannia | 138 | 35 | 23 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 0.0% |
| Britannia 50:50 Masala Chaska | Britannia | 41 | 10 | 22 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 0.0% |
| Britannia NutriChoice Digestive | Britannia | 100 | 20 | 25 | 25 | 25 | 25 | 20 | 20 | 20 | 20 | 20 | 0.0% |
| Britannia Bourbon | Britannia | 150 | 40 | 24 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 0.0% |
| Britannia Bourbon | Britannia | 50 | 10 | 20 | 20 | 20 | 20 | 20 | 19 | 17 | 19 | 20 | 0.0% |
| Britannia Nice Time | Britannia | 150 | 26 | 17 | 17 | 17 | 17 | 17 | 18 | 20 | 17 | 17 | 3.2% |
| Parle Monaco Classic | Parle | 58 | 10 | 14 | 14 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 0.0% |
| Britannia Vita Marie Gold | Britannia | 150 | 28 | 19 | 20 | 19 | 18 | 20 | 19 | 18 | 18 | 18 | -8.0% |
| Sunfeast Cookies Butter | ITC | 58 | 10 | 14 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 1.8% |
| Parle Krack Jack | Parle | 63 | 10 | 14 | 14 | 15 | 16 | 16 | 16 | 16 | 16 | 16 | 0.0% |
| Good Day - Rich Butter (Blue) | Britannia | 60 | 10 | 13 | 13 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 0.0% |
| Sunfeast Marie Lite | ITC | 100 | 15 | 13 | 13 | 13 | 15 | 15 | 15 | 15 | 15 | 15 | 0.0% |
| Britannia Marie Gold | Britannia | 73 | 12 | 13 | 13 | 14 | 14 | 14 | 14 | 15 | 15 | 16 | 19.7% |
| Britannia Marie Gold | Britannia | 250 | 40 | 15 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 0.8% |
| Parle Digestive Marie | Parle | 100 | 15 | 11 | 11 | 11 | 11 | 14 | 15 | 15 | 15 | 15 | 9.5% |
| Parle Marie | Parle | 66 | 10 | 13 | 13 | 13 | 15 | 15 | 15 | 15 | 15 | 15 | 0.2% |
| Britannia Milk Bikis | Britannia | 171 | 27 | 13 | 13 | 13 | 13 | 14 | 15 | 15 | 15 | 16 | 10.4% |
| Parle Glucose | Parle | 100 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 0.0% |
| Tiger Glucose | Britannia | 85 | 10 | 10 | 11 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 0.0% |
| Sunfeast Glucose | ITC | 32 | 5 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 0.0% |

Source: Emkay Research

Exhibit 85: Health food drinks brands – SKU price

| Brand | Company | Tracked SKU | | Q123 | Q223 | Q323 | Q423 | Q124 | Q224 | Q324 | Q424 | Q125 | YoY |
|------------------------------------|----------|-------------|-----|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | gm | Rs | | | | | | | | | | |
| Protenix Original | Danone | 250 | 435 | 1,640 | 1,625 | 1,596 | 1,596 | 1,596 | 1,596 | 1,596 | 1,692 | 1,740 | 9.0% |
| Horlicks Growth + (paper pack) | HUL | 200 | 275 | 1,520 | 1,545 | 1,596 | 1,596 | 1,596 | 1,596 | 1,596 | 1,385 | 1,375 | -1.1% |
| Ensure | Abbott | 200 | 440 | 1,383 | 1,617 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 2,200 | 2,200 | 37.5% |
| Protenix Chocolate | Danone | 250 | 445 | 800 | 853 | 866 | 863 | 871 | 904 | 913 | 1,719 | 1,780 | 11.5% |
| Horlicks protein plus (Paper pack) | HUL | 200 | 340 | 748 | 748 | 748 | 748 | 748 | 748 | 748 | 1,700 | 1,700 | 0.0% |
| Horlicks Women Chocolate (Jar) | HUL | 400 | 365 | 660 | 660 | 660 | 660 | 660 | 660 | 658 | 913 | 913 | 4.8% |
| Bournvita Women | Mondelez | 400 | 299 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 748 | 748 | 0.0% |
| Horlicks Royal Kesar Badam | HUL | 400 | 263 | 590 | 603 | 630 | 670 | 670 | 670 | 670 | 658 | 658 | -0.4% |
| Complan Pista Badam | Zydus | 500 | 350 | 575 | 583 | 588 | 588 | 588 | 588 | 588 | 683 | 700 | 7.7% |
| Bournvita Lil Champ (Jar) | Mondelez | 500 | 349 | 560 | 565 | 568 | 568 | 568 | 568 | 560 | 689 | 698 | 4.2% |
| Milo chocolate (Jar) | Nestle | 400 | 235 | 578 | 578 | 578 | 578 | 578 | 610 | 610 | 588 | 588 | 0.0% |
| Milo (Pouch pack) | Nestle | 250 | 140 | 597 | 630 | 660 | 660 | 660 | 660 | 660 | 560 | 560 | -1.4% |
| Complan Chocolate | Zydus | 500 | 319 | 556 | 585 | 607 | 611 | 625 | 653 | 653 | 629 | 638 | 10.4% |
| Horlicks Junior | HUL | 500 | 330 | 534 | 534 | 534 | 534 | 534 | 534 | 534 | 660 | 660 | 0.0% |
| Horlicks Lite malt (Jar) | HUL | 450 | 294 | 487 | 501 | 536 | 590 | 590 | 590 | 590 | 653 | 653 | 4.5% |
| Bournvita Lil Champ (Pouch) | Mondelez | 500 | 267 | 500 | 527 | 547 | 550 | 563 | 588 | 588 | 534 | 534 | 0.0% |
| Boost (Jar) | HUL | 500 | 299 | 490 | 517 | 559 | 578 | 581 | 588 | 588 | 595 | 598 | 1.4% |
| Horlicks Original (Jar) | HUL | 500 | 294 | 446 | 446 | 475 | 490 | 490 | 490 | 498 | 588 | 588 | 4.5% |
| Horlicks Original (Paper pack) | HUL | 500 | 294 | 477 | 490 | 493 | 498 | 498 | 498 | 498 | 588 | 588 | 1.1% |
| Bournvita Pro Health (Jar) | Mondelez | 500 | 255 | 453 | 453 | 585 | 585 | 585 | 594 | 599 | 506 | 510 | 4.1% |
| Horlicks Chocolate (Jar) | HUL | 500 | 249 | 418 | 425 | 449 | 460 | 460 | 460 | 466 | 498 | 498 | 0.0% |
| Horlicks Classic (Pouch pack) | HUL | 750 | 449 | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 599 | 599 | 2.3% |
| Bournvita (Pouch) | Mondelez | 500 | 239 | 350 | 360 | 360 | 360 | 360 | 360 | 360 | 470 | 478 | 3.9% |
| Bournvita Pro Health (Pouch) | Mondelez | 75 | 30 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 | 2,200 | 400 | 400 | 0.0% |
| Amul Pro | GCMMF | 500 | 180 | 1,520 | 1,545 | 1,596 | 1,596 | 1,596 | 1,596 | 1,596 | 360 | 360 | 0.0% |

Source: Emkay Research

Exhibit 86: Instant noodles brands – SKU prices

| Brand | Company | Tracked SKU | | Q123 | Q223 | Q323 | Q423 | Q124 | Q224 | Q324 | Q424 | Q125 | YoY |
|----------------------|--------------|-------------|-----|------|------|------|------|------|------|------|------|------|-------|
| | | gm | Rs | | | | | | | | | | |
| Maggi Masala oats | Nestlé | 294 | 118 | 38 | 38 | 38 | 40 | 40 | 40 | 40 | 40 | 40 | 0.0% |
| Maggi Veg Atta | Nestlé | 73 | 28 | 33 | 33 | 33 | 33 | 35 | 39 | 39 | 39 | 39 | 10.8% |
| Maggi Veg Atta | Nestlé | 290 | 112 | 32 | 32 | 32 | 32 | 36 | 39 | 39 | 39 | 39 | 6.3% |
| Top Ramen | Nissin Foods | 290 | 104 | 31 | 36 | 36 | 36 | 36 | 36 | 36 | 36 | 36 | 0.0% |
| Yippee My Choice | ITC | 60 | 15 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 0.0% |
| Maggi Special Masala | Nestlé | 70 | 20 | 26 | 26 | 26 | 26 | 29 | 26 | 29 | 29 | 29 | 0.0% |
| Maggi Chicken | Nestlé | 284 | 80 | 21 | 24 | 25 | 25 | 28 | 28 | 28 | 28 | 28 | 0.0% |
| Yippee Magic Masala | ITC | 60 | 11 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 19 | -6.1% |
| Maggi Masala | Nestlé | 70 | 14 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 0.0% |
| Maggi Masala | Nestlé | 140 | 28 | 19 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 0.0% |
| Maggi Masala | Nestlé | 280 | 56 | 18 | 19 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 0.6% |

Source: Emkay Research

Exhibit 87: Milk product brands – SKU prices

| Brand | Company | Tracked SKU | | Q123 | Q223 | Q323 | Q423 | Q124 | Q224 | Q324 | Q424 | Q125 | YoY |
|------------------------------|--------------|-------------|-----|------|------|------|------|------|------|------|------|------|-------|
| | | ltr | Rs | | | | | | | | | | |
| Everyday | Nestlé | 0.4 | 243 | 545 | 545 | 545 | 598 | 605 | 612 | 615 | 615 | 608 | 0.4% |
| Nestlé a+ toned milk Slim | Nestlé | 1 | 100 | 89 | 92 | 94 | 95 | 95 | 95 | 95 | 100 | 100 | 5.3% |
| Nestlé a+ toned milk UHT | Nestlé | 1 | 111 | 80 | 88 | 94 | 101 | 103 | 106 | 106 | 111 | 111 | 8.1% |
| Amul Lite | GCMMF | 1 | 82 | 75 | 75 | 75 | 80 | 80 | 80 | 82 | 82 | 82 | 2.5% |
| Go daily milk | Parag Milk | 1 | 75 | 67 | 68 | 68 | 68 | 68 | 75 | 75 | 75 | 75 | 10.3% |
| Amul Gold | GCMMF | 1 | 80 | 74 | 75 | 76 | 76 | 78 | 78 | 80 | 80 | 80 | 2.6% |
| Amul Taaza Homogenized Toned | GCMMF | 1 | 74 | 67 | 69 | 71 | 72 | 72 | 72 | 74 | 73 | 74 | 2.8% |
| Mother Dairy Milk | Mother Dairy | 1 | 74 | 69 | 70 | 70 | 70 | 73 | 78 | 78 | 78 | 74 | 1.8% |

Source: Emkay Research

Exhibit 88: Tea brands – SKU prices

| Brand | Company | Tracked SKU | | Q123 | Q223 | Q323 | Q423 | Q124 | Q224 | Q324 | Q424 | Q125 | YoY |
|--------------------------------|------------------------|-------------|-----|------|------|------|------|------|------|------|------|------|--------|
| | | gm | Rs | | | | | | | | | | |
| Brooke Bond Taj Mahal Tea Box | HUL | 250 | 235 | 880 | 880 | 880 | 880 | 907 | 920 | 940 | 940 | 940 | 3.7% |
| Red Label tea natural care box | HUL | 500 | 300 | 660 | 660 | 663 | 670 | 647 | 600 | 600 | 600 | 600 | -7.2% |
| Tata Tea Gold | Tata Consumer | 1,000 | 600 | 613 | 627 | 590 | 570 | 603 | 603 | 570 | 590 | 600 | -0.6% |
| Red Label tea | HUL | 500 | 300 | 570 | 570 | 570 | 570 | 580 | 587 | 600 | 600 | 600 | 3.4% |
| Red Label Tea | HUL | 1,000 | 600 | 570 | 570 | 570 | 570 | 570 | 590 | 600 | 600 | 600 | 5.3% |
| Wagh Bakri | Gujarat Tea Processors | 500 | 290 | 540 | 580 | 587 | 560 | 573 | 580 | 580 | 580 | 580 | 1.2% |
| Society Tea | Society Tea | 500 | 290 | 560 | 560 | 560 | 560 | 580 | 580 | 580 | 580 | 580 | 0.0% |
| Girnar Royal Cup Tea | Girnar Food | 500 | 290 | 547 | 560 | 560 | 560 | 580 | 580 | 580 | 580 | 580 | 0.0% |
| Brooke Bond Taaza Tea | HUL | 1,000 | 230 | 300 | 300 | 310 | 330 | 230 | 230 | 230 | 230 | 230 | 0.0% |
| Tata Agni | Tata Consumer | 1,000 | 220 | 240 | 240 | 240 | 240 | 200 | 200 | 230 | 230 | 220 | 10.0% |
| Brooke Bond Taaza Tea | HUL | 250 | 55 | 740 | 740 | 740 | 740 | 740 | 740 | 740 | 833 | 220 | -35.3% |

Source: Emkay Research

Exhibit 89: Coffee brands – SKU prices

| Brand | Company | Tracked SKU | | Q123 | Q223 | Q323 | Q423 | Q124 | Q224 | Q324 | Q424 | Q125 | YoY |
|---------------------------------------|---------|-------------|-----|------|------|------|------|------|------|------|------|------|-------|
| | | gm | Rs | | | | | | | | | | |
| Nescafe Gold Coffee | Nestlé | 50 | 350 | 590 | 590 | 640 | 640 | 640 | 640 | 640 | 680 | 700 | 9.4% |
| Bru Coffee Gold- Jar | HUL | 100 | 370 | 317 | 337 | 340 | 340 | 340 | 370 | 370 | 370 | 370 | 8.8% |
| Nescafe Classic - 100% Natural Coffee | Nestlé | 50 | 206 | 303 | 317 | 320 | 320 | 327 | 381 | 367 | 374 | 400 | 22.4% |
| Bru Instant Coffee – Jar | HUL | 100 | 300 | 185 | 197 | 200 | 230 | 250 | 273 | 300 | 300 | 300 | 20.0% |
| Sunrise Coffee Premium | Nestlé | 50 | 135 | 177 | 187 | 197 | 210 | 223 | 230 | 240 | 240 | 270 | 20.9% |

Source: Emkay Research

Exhibit 90: Baby food brands – SKU prices

| Brand | Company | Tracked SKU | | Q123 | Q223 | Q323 | Q423 | Q124 | Q224 | Q324 | Q424 | Q125 | YoY |
|---|---------|-------------|-----|----------|------|------|------|------|------|-------|-------|-------|-------|
| | | gm | Rs | Rs/500gm | | | | | | | | | |
| Similac 1Q+ | Abbott | 400 | 760 | 850 | 850 | 850 | 950 | 950 | 950 | 950 | 950 | 950 | 0.0% |
| Nan Pro Stage 1 | Nestlé | 400 | 825 | 846 | 888 | 917 | 938 | 906 | 940 | 1,006 | 1,006 | 1,023 | 12.9% |
| Nan Pro Stage 2 | Nestlé | 400 | 825 | 833 | 879 | 904 | 925 | 925 | 952 | 1,006 | 1,006 | 1,023 | 10.6% |
| Nan Pro Stage 3 | Nestlé | 400 | 805 | 813 | 852 | 904 | 925 | 850 | 902 | 1,006 | 1,006 | 1,006 | 18.4% |
| Nan Pro Stage 4 | Nestlé | 400 | 825 | 825 | 875 | 894 | 925 | 981 | 990 | 1,006 | 1,006 | 1,023 | 4.2% |
| Similac 1 | Abbott | 400 | 910 | 763 | 775 | 775 | 894 | 969 | 969 | 969 | 969 | 1,138 | 17.4% |
| Pediasure - Vanilla Delight | Abbott | 400 | 757 | 738 | 758 | 769 | 888 | 888 | 913 | 963 | 963 | 952 | 7.3% |
| Nangrow | Nestlé | 400 | 610 | 694 | 706 | 715 | 731 | 706 | 725 | 763 | 763 | 763 | 8.0% |
| Nangrow | Nestlé | 400 | 610 | 694 | 706 | 715 | 731 | 706 | 725 | 763 | 763 | 763 | 8.0% |
| Pediasure - Premium Chocolate | Abbott | 400 | 821 | 738 | 758 | 808 | 888 | 867 | 913 | 963 | 963 | 1,005 | 16.0% |
| Ceregrow- Base - Multigrain cereal with milk and fruits | Nestlé | 300 | 260 | 495 | 495 | 506 | 527 | 534 | 538 | 555 | 555 | 555 | 3.8% |
| Cerelac 5 grains and fruit | Nestlé | 300 | 329 | 480 | 488 | 511 | 520 | 520 | 526 | 537 | 541 | 548 | 5.4% |
| Cerelac multigrain and fruit | Nestlé | 300 | 330 | 476 | 491 | 495 | 508 | 520 | 526 | 537 | 537 | 546 | 4.9% |
| Cerelac multigrain dal veg (12 month+) | Nestlé | 300 | 322 | 476 | 487 | 497 | 507 | 520 | 526 | 537 | 537 | 537 | 3.2% |
| Lactogen Infant Formula Stage 1 | Nestlé | 400 | 485 | 456 | 469 | 485 | 519 | 519 | 538 | 575 | 575 | 606 | 16.9% |
| Lactogen Infant Formula Stage 1 (0-6 month) (Bag) | Nestlé | 400 | 485 | 456 | 469 | 485 | 519 | 519 | 538 | 575 | 575 | 606 | 16.9% |
| Cerelac wheat rice mixed fruit Stage 2 | Nestlé | 300 | 325 | 458 | 463 | 473 | 493 | 493 | 503 | 523 | 523 | 536 | 8.6% |
| Cerelac wheat rice mix veg Stage 3 | Nestlé | 300 | 314 | 452 | 473 | 483 | 493 | 507 | 512 | 523 | 523 | 523 | 3.3% |
| Lactogen Infant Formula Stage 2 | Nestlé | 400 | 485 | 442 | 450 | 467 | 500 | 492 | 519 | 556 | 556 | 598 | 21.6% |
| Lactogen Infant Formula Stage 2 (6 month +) | Nestlé | 400 | 485 | 442 | 450 | 467 | 500 | 492 | 519 | 556 | 556 | 598 | 21.6% |
| Lactogen Infant Formula Stage 3 | Nestlé | 400 | 460 | 429 | 446 | 473 | 494 | 519 | 540 | 556 | 556 | 569 | 9.6% |
| Cerelac Wheat Apple Stage 1 | Nestlé | 300 | 300 | 423 | 423 | 423 | 467 | 467 | 478 | 500 | 500 | 500 | 7.1% |
| Cerelac Wheat Orange | Nestlé | 300 | 300 | 429 | 440 | 440 | 440 | 440 | 460 | 500 | 500 | 500 | 13.6% |
| Lactogen Infant Formula Stage 4 | Nestlé | 400 | 470 | 429 | 438 | 475 | 494 | 463 | 494 | 556 | 556 | 577 | 24.8% |
| Cerelac Wheat Apple Cherry Stage 2 | Nestlé | 300 | 310 | 414 | 434 | 438 | 453 | 453 | 466 | 492 | 492 | 508 | 12.1% |
| Cerelac Wheat Apple Stage 1 | Nestlé | 300 | 275 | 367 | 385 | 392 | 392 | 397 | 411 | 433 | 433 | 447 | 12.6% |
| Cerelac Rice | Nestlé | 300 | 255 | 359 | 363 | 363 | 390 | 363 | 384 | 425 | 425 | 425 | 17.0% |
| Cerelac Wheat | Nestlé | 300 | 250 | 342 | 342 | 355 | 382 | 400 | 406 | 417 | 417 | 417 | 4.2% |

Source: Emkay Research

Appendix 4: Currency movement

Exhibit 91: Quarterly currency movement

| Currency (Region) | Companies impacted | Average exchange rate vs the INR | | | | | Change YoY | | | | |
|---------------------|-------------------------------------|----------------------------------|--------|--------|--------|--------|------------|--------|--------|--------|--------|
| | | Q1FY24 | Q2FY24 | Q3FY24 | Q4FY24 | Q1FY25 | Q1FY24 | Q2FY24 | Q3FY24 | Q4FY24 | Q1FY25 |
| Euro (EU) | Dabur | 89.5 | 90.6 | 89.6 | 90.5 | 90.4 | 9% | 13% | 7% | 3% | 1% |
| USD (USA) | All companies | 82.2 | 82.7 | 83.3 | 83.2 | 83.1 | 6% | 3% | 1% | 1% | 1% |
| LKR (SL) | GCPL, Marico, Dabur | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 20% | 17% | 14% | 10% | -2% |
| BDT (Bangladesh) | GCPL, Marico, Dabur | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | -12% | -9% | -6% | -3% | -1% |
| NPR (Nepal) | Dabur | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0% | 0% | 0% | 0% | 0% |
| IDR (Indonesia) | GCPL | 0.6 | 0.5 | 0.5 | 0.1 | 0.1 | 4% | 2% | 1% | -1% | -3% |
| Ringgit (Malaysia) | Marico, GCPL/HUL (Palm oil imports) | 18.2 | 17.9 | 17.7 | 17.8 | 17.7 | 2% | 1% | -2% | -5% | -3% |
| Dong (Vietnam) | Marico | 0.4 | 0.3 | 0.3 | 0.3 | 0.3 | 5% | 2% | 1% | -2% | -3% |
| Rand (South Africa) | GCPL, Marico | 4.4 | 4.5 | 4.4 | 4.5 | 4.4 | -11% | -5% | -5% | -4% | 0% |
| Naira (Nigeria) | GCPL, Dabur | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 | -11% | -42% | -45% | -45% | -50% |
| Shilling (Kenya) | GCPL | 0.6 | 0.6 | 0.5 | 0.5 | 0.5 | -10% | -14% | -19% | -18% | -11% |
| Lira (Turkey) | Dabur | 4.0 | 3.1 | 2.9 | 2.8 | 2.8 | -19% | -31% | -34% | -35% | -30% |
| EGP (Egypt) | Marico, Dabur | 2.7 | 2.7 | 2.7 | 2.7 | 2.7 | -36% | -36% | -25% | -2% | 1% |
| AED (Middle East) | GCPL, Marico, Dabur | 22.4 | 22.5 | 22.7 | 22.7 | 22.6 | 6% | 3% | 1% | 1% | 1% |
| Peso (Argentina) | GCPL | 0.4 | 0.3 | 0.2 | 0.2 | 0.1 | -46% | -52% | -58% | -61% | -66% |
| Peso (Uruguay) | GCPL | 2.1 | 2.2 | 2.1 | 2.1 | 2.1 | 12% | 11% | 2% | 1% | 0% |
| Peso (Chile) | GCPL | 1.0 | 1.0 | 0.9 | 0.9 | 0.9 | 12% | 15% | 3% | -8% | -11% |

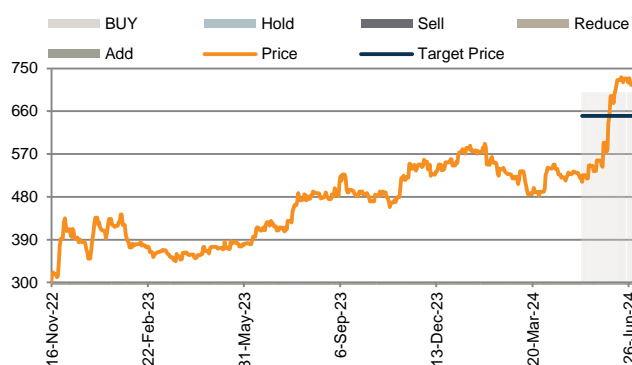
Source: Bloomberg, Emkay Research

BIKAJI FOODS INTERNATIONAL RECOMMENDATION HISTORY - DETAILS

| Date | Closing Price (INR) | TP (INR) | Rating | Analyst |
|-----------|---------------------|----------|--------|-------------|
| 26-Jun-24 | 729 | 650 | Buy | Nitin Gupta |
| 04-Jun-24 | 579 | 650 | Buy | Nitin Gupta |
| 24-May-24 | 556 | 650 | Buy | Nitin Gupta |
| 09-May-24 | 511 | 650 | Buy | Nitin Gupta |

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



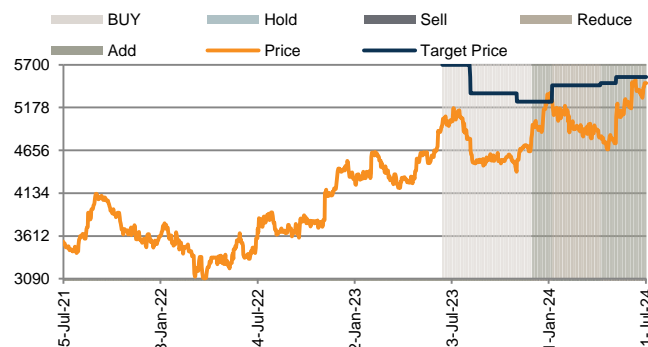
Source: Company, Bloomberg, Emkay Research

BRITANNIA INDUSTRIES RECOMMENDATION HISTORY - DETAILS

| Date | Closing Price (INR) | TP (INR) | Rating | Analyst |
|-----------|---------------------|----------|--------|-------------|
| 26-Jun-24 | 5,422 | 5,550 | Add | Nitin Gupta |
| 04-Jun-24 | 5,325 | 5,550 | Add | Nitin Gupta |
| 13-May-24 | 5,131 | 5,550 | Add | Nitin Gupta |
| 08-May-24 | 5,228 | 5,550 | Add | Nitin Gupta |
| 06-May-24 | 5,062 | 5,550 | Add | Nitin Gupta |
| 15-Apr-24 | 4,762 | 5,475 | Add | Nitin Gupta |
| 07-Apr-24 | 4,813 | 5,475 | Add | Nitin Gupta |
| 14-Mar-24 | 4,939 | 5,450 | Reduce | Nitin Gupta |
| 07-Feb-24 | 5,078 | 5,450 | Reduce | Nitin Gupta |
| 23-Jan-24 | 5,048 | 5,450 | Reduce | Nitin Gupta |
| 07-Jan-24 | 5,272 | 5,450 | Reduce | Nitin Gupta |
| 12-Dec-23 | 4,903 | 5,250 | Add | Nitin Gupta |
| 30-Nov-23 | 4,853 | 5,250 | Add | Nitin Gupta |
| 24-Nov-23 | 4,644 | 5,250 | Buy | Nitin Gupta |
| 02-Nov-23 | 4,527 | 5,250 | Buy | Nitin Gupta |
| 20-Oct-23 | 4,580 | 5,350 | Buy | Nitin Gupta |
| 03-Oct-23 | 4,495 | 5,350 | Buy | Nitin Gupta |
| 28-Aug-23 | 4,511 | 5,350 | Buy | Nitin Gupta |
| 15-Aug-23 | 4,500 | 5,350 | Buy | Nitin Gupta |
| 07-Aug-23 | 4,660 | 5,350 | Buy | Nitin Gupta |
| 06-Aug-23 | 4,799 | 5,550 | Buy | Nitin Gupta |
| 18-Jun-23 | 5,045 | 5,700 | Buy | Nitin Gupta |
| 15-Jun-23 | 4,975 | 5,700 | Buy | Nitin Gupta |

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

This report is intended for team.emkay@whitemarquesolutions.com use and downloaded at 07/11/2024 02:28 PM

Emkay Research is also available on www.emkayglobal.com and Bloomberg EMKAY<GO>. Please refer to the last page of the report on Restrictions on Distribution. In Singapore, this research report or research analyses may only be distributed to Institutional Investors, Expert Investors or Accredited Investors as defined in the Securities and Futures Act, Chapter 289 of Singapore.

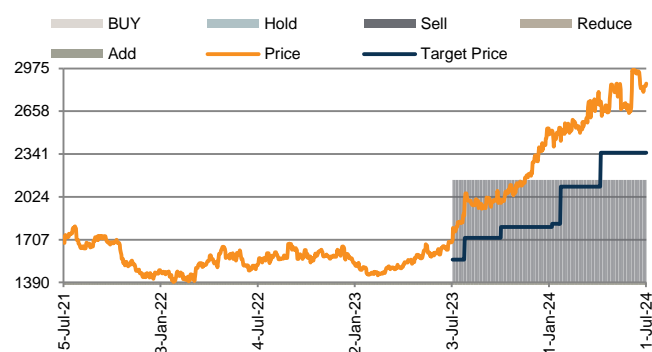
COLGATE-PALMOLIVE

RECOMMENDATION HISTORY - DETAILS

| Date | Closing Price (INR) | TP (INR) | Rating | Analyst |
|-----------|---------------------|----------|--------|-------------|
| 26-Jun-24 | 2,802 | 2,350 | Sell | Nitin Gupta |
| 04-Jun-24 | 2,810 | 2,350 | Sell | Nitin Gupta |
| 15-May-24 | 2,673 | 2,350 | Sell | Nitin Gupta |
| 13-May-24 | 2,859 | 2,350 | Sell | Nitin Gupta |
| 08-May-24 | 2,825 | 2,350 | Sell | Nitin Gupta |
| 15-Apr-24 | 2,673 | 2,350 | Sell | Nitin Gupta |
| 07-Apr-24 | 2,729 | 2,350 | Sell | Nitin Gupta |
| 14-Mar-24 | 2,687 | 2,100 | Sell | Nitin Gupta |
| 23-Jan-24 | 2,438 | 2,100 | Sell | Nitin Gupta |
| 07-Jan-24 | 2,515 | 1,825 | Sell | Nitin Gupta |
| 12-Dec-23 | 2,336 | 1,800 | Sell | Nitin Gupta |
| 30-Nov-23 | 2,196 | 1,800 | Sell | Nitin Gupta |
| 24-Nov-23 | 2,195 | 1,800 | Sell | Nitin Gupta |
| 26-Oct-23 | 2,034 | 1,800 | Sell | Nitin Gupta |
| 24-Oct-23 | 2,076 | 1,800 | Sell | Nitin Gupta |
| 20-Oct-23 | 2,111 | 1,800 | Sell | Nitin Gupta |
| 03-Oct-23 | 1,978 | 1,800 | Sell | Nitin Gupta |
| 28-Aug-23 | 1,936 | 1,720 | Sell | Nitin Gupta |
| 22-Aug-23 | 1,940 | 1,720 | Sell | Nitin Gupta |
| 15-Aug-23 | 1,963 | 1,720 | Sell | Nitin Gupta |
| 27-Jul-23 | 2,002 | 1,720 | Sell | Nitin Gupta |
| 04-Jul-23 | 1,705 | 1,560 | Sell | Nitin Gupta |

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

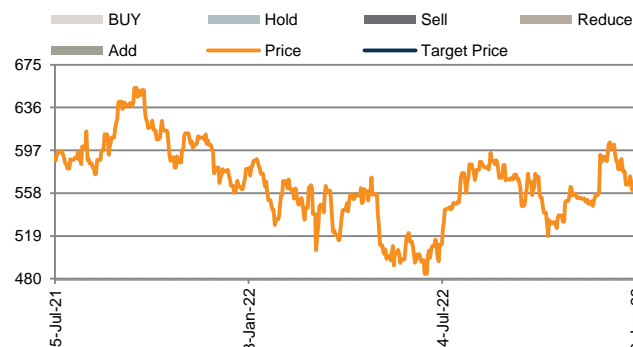
DABUR INDIA

RECOMMENDATION HISTORY - DETAILS

| Date | Closing Price (INR) | TP (INR) | Rating | Analyst |
|-----------|---------------------|----------|--------|-------------|
| 26-Jun-24 | 602 | 700 | Buy | Nitin Gupta |
| 26-Jun-24 | 602 | 700 | Buy | Nitin Gupta |
| 15-Jun-24 | 609 | 700 | Buy | Nitin Gupta |
| 15-Jun-24 | 609 | 700 | Buy | Nitin Gupta |
| 04-Jun-24 | 578 | 660 | Buy | Nitin Gupta |
| 04-Jun-24 | 578 | 660 | Buy | Nitin Gupta |
| 08-May-24 | 557 | 660 | Buy | Nitin Gupta |
| 08-May-24 | 557 | 660 | Buy | Nitin Gupta |
| 08-May-24 | 557 | 660 | Buy | Nitin Gupta |
| 08-May-24 | 557 | 660 | Buy | Nitin Gupta |
| 03-May-24 | 532 | 660 | Buy | Nitin Gupta |
| 03-May-24 | 532 | 660 | Buy | Nitin Gupta |
| 15-Apr-24 | 495 | 660 | Buy | Nitin Gupta |
| 15-Apr-24 | 495 | 660 | Buy | Nitin Gupta |
| 07-Apr-24 | 508 | 660 | Buy | Nitin Gupta |
| 07-Apr-24 | 508 | 660 | Buy | Nitin Gupta |
| 05-Apr-24 | 508 | 660 | Buy | Nitin Gupta |
| 05-Apr-24 | 508 | 660 | Buy | Nitin Gupta |
| 14-Mar-24 | 530 | 660 | Buy | Nitin Gupta |
| 14-Mar-24 | 530 | 660 | Buy | Nitin Gupta |
| 01-Feb-24 | 554 | 660 | Buy | Nitin Gupta |
| 01-Feb-24 | 554 | 660 | Buy | Nitin Gupta |
| 23-Jan-24 | 525 | 660 | Buy | Nitin Gupta |
| 23-Jan-24 | 525 | 660 | Buy | Nitin Gupta |
| 07-Jan-24 | 569 | 660 | Buy | Nitin Gupta |

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

EMAMI

RECOMMENDATION HISTORY - DETAILS

| Date | Closing Price (INR) | TP (INR) | Rating | Analyst |
|-----------|---------------------|----------|--------|-------------|
| 30-May-24 | 612 | 625 | Buy | Nitin Gupta |
| 30-May-24 | 612 | 625 | Buy | Nitin Gupta |
| 13-May-24 | 519 | 600 | Buy | Nitin Gupta |
| 13-May-24 | 519 | 600 | Buy | Nitin Gupta |
| 13-May-24 | 519 | 600 | Buy | Nitin Gupta |
| 13-May-24 | 519 | 600 | Buy | Nitin Gupta |
| 08-May-24 | 535 | 600 | Buy | Nitin Gupta |
| 08-May-24 | 535 | 600 | Buy | Nitin Gupta |
| 15-Apr-24 | 452 | 600 | Buy | Nitin Gupta |
| 15-Apr-24 | 452 | 600 | Buy | Nitin Gupta |
| 07-Apr-24 | 447 | 600 | Buy | Nitin Gupta |
| 07-Apr-24 | 447 | 600 | Buy | Nitin Gupta |
| 14-Mar-24 | 435 | 650 | Buy | Nitin Gupta |
| 14-Mar-24 | 435 | 650 | Buy | Nitin Gupta |
| 09-Feb-24 | 485 | 650 | Buy | Nitin Gupta |
| 09-Feb-24 | 485 | 650 | Buy | Nitin Gupta |
| 23-Jan-24 | 499 | 675 | Buy | Nitin Gupta |
| 23-Jan-24 | 499 | 675 | Buy | Nitin Gupta |
| 07-Jan-24 | 565 | 675 | Buy | Nitin Gupta |
| 07-Jan-24 | 565 | 675 | Buy | Nitin Gupta |
| 31-Dec-23 | 564 | 625 | Buy | Nitin Gupta |
| 31-Dec-23 | 564 | 625 | Buy | Nitin Gupta |
| 12-Dec-23 | 495 | 625 | Buy | Nitin Gupta |
| 12-Dec-23 | 495 | 625 | Buy | Nitin Gupta |

Source: Company, Emkay Research

GODREJ CONSUMER PRODUCTS

RECOMMENDATION HISTORY - DETAILS

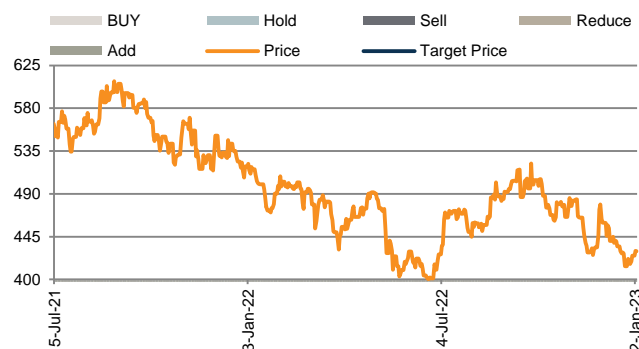
| Date | Closing Price (INR) | TP (INR) | Rating | Analyst |
|-----------|---------------------|----------|--------|-------------|
| 26-Jun-24 | 1,414 | 1,350 | Add | Nitin Gupta |
| 04-Jun-24 | 1,348 | 1,350 | Add | Nitin Gupta |
| 13-May-24 | 1,338 | 1,350 | Add | Nitin Gupta |
| 08-May-24 | 1,350 | 1,350 | Add | Nitin Gupta |
| 07-May-24 | 1,322 | 1,350 | Add | Nitin Gupta |
| 15-Apr-24 | 1,177 | 1,350 | Add | Nitin Gupta |
| 07-Apr-24 | 1,210 | 1,350 | Add | Nitin Gupta |
| 14-Mar-24 | 1,227 | 1,325 | Add | Nitin Gupta |
| 20-Feb-24 | 1,228 | 1,325 | Add | Nitin Gupta |
| 01-Feb-24 | 1,255 | 1,325 | Add | Nitin Gupta |
| 23-Jan-24 | 1,130 | 1,325 | Add | Nitin Gupta |
| 07-Jan-24 | 1,220 | 1,325 | Add | Nitin Gupta |
| 12-Dec-23 | 1,032 | 1,200 | Buy | Nitin Gupta |
| 30-Nov-23 | 1,008 | 1,200 | Buy | Nitin Gupta |
| 24-Nov-23 | 1,010 | 1,200 | Buy | Nitin Gupta |
| 17-Nov-23 | 997 | 1,200 | Buy | Nitin Gupta |
| 01-Nov-23 | 975 | 1,200 | Buy | Nitin Gupta |
| 20-Oct-23 | 988 | 1,200 | Buy | Nitin Gupta |
| 03-Oct-23 | 993 | 1,200 | Buy | Nitin Gupta |
| 28-Aug-23 | 1,028 | 1,225 | Buy | Nitin Gupta |
| 15-Aug-23 | 1,036 | 1,225 | Buy | Nitin Gupta |
| 08-Aug-23 | 1,009 | 1,225 | Buy | Nitin Gupta |
| 30-Jun-23 | 1,081 | 1,225 | Buy | Nitin Gupta |

Source: Company, Emkay Research

This report is intended for team.emkay@whitemarquesolutions.com use and downloaded at 07/11/2024 02:28 PM

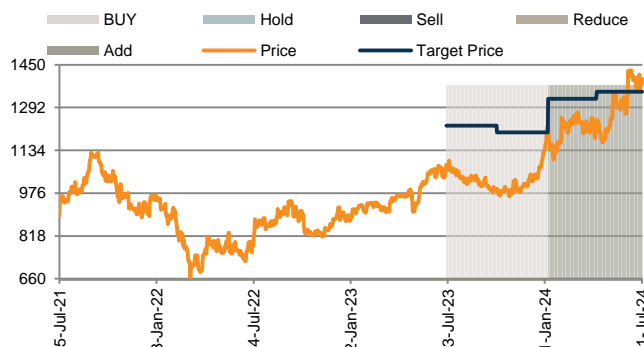
Emkay Research is also available on www.emkayglobal.com and Bloomberg EMKAY<GO>. Please refer to the last page of the report on Restrictions on Distribution. In Singapore, this research report or research analyses may only be distributed to Institutional Investors, Expert Investors or Accredited Investors as defined in the Securities and Futures Act, Chapter 289 of Singapore.

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

HINDUSTAN UNILEVER

RECOMMENDATION HISTORY - DETAILS

| Date | Closing Price (INR) | TP (INR) | Rating | Analyst |
|-----------|---------------------|----------|--------|-------------|
| 26-Jun-24 | 2,446 | 2,900 | Buy | Nitin Gupta |
| 04-Jun-24 | 2,496 | 2,900 | Buy | Nitin Gupta |
| 31-May-24 | 2,329 | 2,575 | Add | Nitin Gupta |
| 13-May-24 | 2,361 | 2,500 | Add | Nitin Gupta |
| 08-May-24 | 2,341 | 2,500 | Add | Nitin Gupta |
| 25-Apr-24 | 2,231 | 2,500 | Add | Nitin Gupta |
| 15-Apr-24 | 2,194 | 2,500 | Add | Nitin Gupta |
| 07-Apr-24 | 2,267 | 2,500 | Add | Nitin Gupta |
| 14-Mar-24 | 2,335 | 2,700 | Add | Nitin Gupta |
| 23-Jan-24 | 2,376 | 2,700 | Add | Nitin Gupta |
| 20-Jan-24 | 2,469 | 2,700 | Add | Nitin Gupta |
| 07-Jan-24 | 2,620 | 2,800 | Add | Nitin Gupta |
| 12-Dec-23 | 2,503 | 2,800 | Add | Nitin Gupta |
| 30-Nov-23 | 2,546 | 2,800 | Add | Nitin Gupta |
| 24-Nov-23 | 2,515 | 2,800 | Hold | Nitin Gupta |
| 20-Oct-23 | 2,495 | 2,800 | Hold | Nitin Gupta |
| 03-Oct-23 | 2,469 | 2,800 | Hold | Nitin Gupta |
| 28-Aug-23 | 2,556 | 2,850 | Hold | Nitin Gupta |
| 15-Aug-23 | 2,533 | 2,850 | Hold | Nitin Gupta |
| 20-Jul-23 | 2,703 | 2,850 | Hold | Nitin Gupta |
| 25-Jun-23 | 2,642 | 2,850 | Hold | Nitin Gupta |

Source: Company, Emkay Research

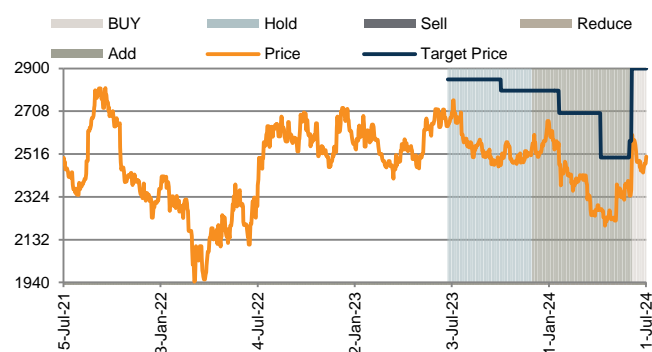
HONASA CONSUMER

RECOMMENDATION HISTORY - DETAILS

| Date | Closing Price (INR) | TP (INR) | Rating | Analyst |
|-----------|---------------------|----------|--------|-------------|
| 26-Jun-24 | 444 | 525 | Buy | Nitin Gupta |
| 10-Jun-24 | 458 | 525 | Buy | Nitin Gupta |
| 04-Jun-24 | 416 | 500 | Buy | Nitin Gupta |
| 24-May-24 | 431 | 500 | Buy | Nitin Gupta |
| 13-May-24 | 426 | 500 | Buy | Nitin Gupta |
| 08-May-24 | 430 | 500 | Buy | Nitin Gupta |
| 01-May-24 | 431 | 500 | Buy | Nitin Gupta |
| 22-Apr-24 | 405 | 500 | Buy | Nitin Gupta |
| 15-Apr-24 | 395 | 500 | Buy | Nitin Gupta |
| 07-Apr-24 | 405 | 500 | Buy | Nitin Gupta |
| 01-Apr-24 | 407 | 500 | Buy | Nitin Gupta |

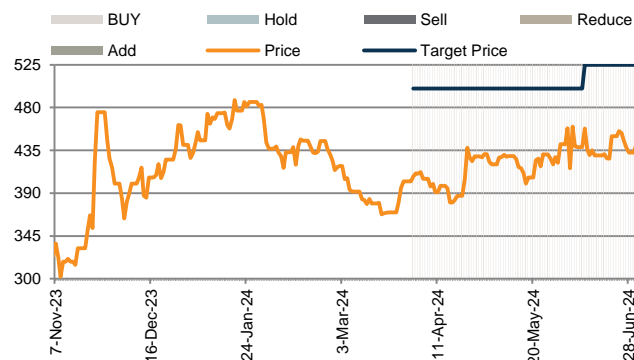
Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

RECOMMENDATION HISTORY - TREND



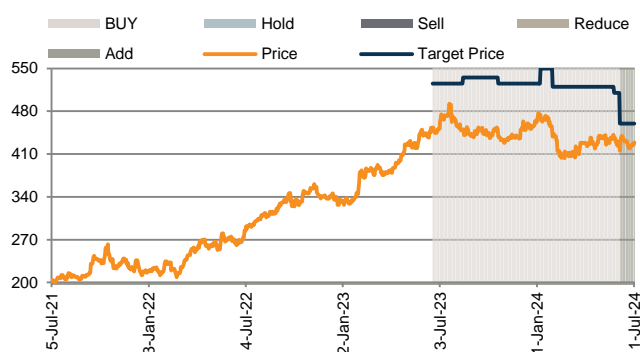
Source: Company, Bloomberg, Emkay Research

ITC

RECOMMENDATION HISTORY - DETAILS

| Date | Closing Price (INR) | TP (INR) | Rating | Analyst |
|-----------|---------------------|----------|--------|-------------|
| 26-Jun-24 | 424 | 460 | Add | Nitin Gupta |
| 05-Jun-24 | 430 | 460 | Add | Nitin Gupta |
| 04-Jun-24 | 415 | 460 | Add | Nitin Gupta |
| 24-May-24 | 436 | 510 | Buy | Nitin Gupta |
| 13-May-24 | 432 | 520 | Buy | Nitin Gupta |
| 08-May-24 | 441 | 520 | Buy | Nitin Gupta |
| 15-Apr-24 | 426 | 520 | Buy | Nitin Gupta |
| 07-Apr-24 | 428 | 520 | Buy | Nitin Gupta |
| 14-Mar-24 | 420 | 520 | Buy | Nitin Gupta |
| 30-Jan-24 | 438 | 520 | Buy | Nitin Gupta |
| 23-Jan-24 | 459 | 550 | Buy | Nitin Gupta |
| 07-Jan-24 | 474 | 550 | Buy | Nitin Gupta |
| 13-Dec-23 | 456 | 525 | Buy | Nitin Gupta |
| 12-Dec-23 | 453 | 525 | Buy | Nitin Gupta |
| 30-Nov-23 | 436 | 525 | Buy | Nitin Gupta |
| 24-Nov-23 | 438 | 525 | Buy | Nitin Gupta |
| 20-Oct-23 | 438 | 525 | Buy | Nitin Gupta |
| 03-Oct-23 | 440 | 535 | Buy | Nitin Gupta |
| 28-Aug-23 | 441 | 535 | Buy | Nitin Gupta |
| 15-Aug-23 | 449 | 535 | Buy | Nitin Gupta |
| 28-Jul-23 | 468 | 525 | Buy | Nitin Gupta |
| 24-Jul-23 | 471 | 525 | Buy | Nitin Gupta |
| 15-Jul-23 | 473 | 525 | Buy | Nitin Gupta |
| 19-Jun-23 | 454 | 525 | Buy | Nitin Gupta |

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

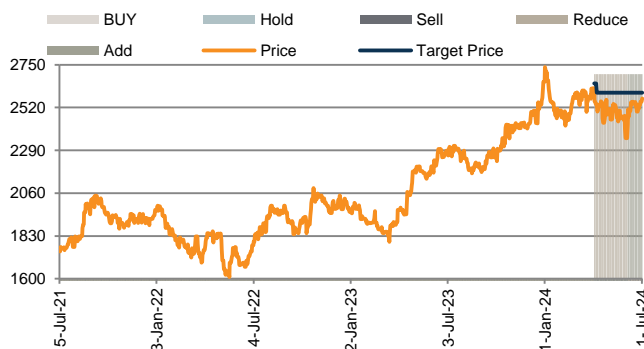
NESTLE INDIA

RECOMMENDATION HISTORY - DETAILS

| Date | Closing Price (INR) | TP (INR) | Rating | Analyst |
|-----------|---------------------|----------|--------|-------------|
| 26-Jun-24 | 2,534 | 2,600 | Add | Nitin Gupta |
| 04-Jun-24 | 2,428 | 2,600 | Add | Nitin Gupta |
| 13-May-24 | 2,516 | 2,600 | Reduce | Nitin Gupta |
| 08-May-24 | 2,539 | 2,600 | Reduce | Nitin Gupta |
| 25-Apr-24 | 2,563 | 2,600 | Reduce | Nitin Gupta |
| 15-Apr-24 | 2,554 | 2,600 | Reduce | Nitin Gupta |
| 07-Apr-24 | 2,538 | 2,600 | Reduce | Nitin Gupta |
| 02-Apr-24 | 2,623 | 2,650 | Reduce | Nitin Gupta |

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

GENERAL DISCLOSURE/DISCLAIMER BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):

Emkay Global Financial Services Limited (CIN-L67120MH1995PLC084899) and its affiliates are a full-service, brokerage, investment banking, investment management and financing group. Emkay Global Financial Services Limited (EGFSL) along with its affiliates are participants in virtually all securities trading markets in India. EGFSL was established in 1995 and is one of India's leading brokerage and distribution house. EGFSL is a corporate trading member of BSE Limited (BSE), National Stock Exchange of India Limited (NSE), MCX Stock Exchange Limited (MCX-SX), Multi Commodity Exchange of India Ltd (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) (hereinafter referred to as "Stock Exchange(s)"). EGFSL along with its [affiliates] offers the most comprehensive avenues for investments and is engaged in the businesses including stock broking (Institutional and retail), merchant banking, commodity broking, depository participant, portfolio management and services rendered in connection with distribution of primary market issues and financial products like mutual funds, fixed deposits. Details of associates are available on our website i.e. www.emkayglobal.com.

EGFSL is registered as Research Analyst with the Securities and Exchange Board of India ("SEBI") bearing registration Number INH000000354 as per SEBI (Research Analysts) Regulations, 2014. EGFSL hereby declares that it has not defaulted with any Stock Exchange nor its activities were suspended by any Stock Exchange with whom it is registered in last five years. However, SEBI and Stock Exchanges had conducted their routine inspection and based on their observations have issued advice letters or levied minor penalty on EGFSL for certain operational deviations in ordinary/routine course of business. EGFSL has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time.

EGFSL offers research services to its existing clients as well as prospects. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the clients simultaneously, not all clients may receive this report at the same time. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient.

EGFSL and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. EGFSL may have issued or may issue other reports (on technical or fundamental analysis basis) of the same subject company that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Users of this report may visit www.emkayglobal.com to view all Research Reports of EGFSL. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the research published by any other analyst or by associate entities of EGFSL; our proprietary trading, investment businesses or other associate entities may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. All material presented in this report, unless specifically indicated otherwise, is under copyright to Emkay. None of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of EGFSL. All trademarks, service marks and logos used in this report are trademarks or registered trademarks of EGFSL or its affiliates. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

This report has not been reviewed or authorized by any regulatory authority. There is no planned schedule or frequency for updating research report relating to any issuer/subject company.

Please contact the primary analyst for valuation methodologies and assumptions associated with the covered companies or price targets.

Disclaimer for U.S. persons only: Research report is a product of Emkay Global Financial Services Ltd., under Marco Polo Securities 15a6 chaperone service, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of Financial Institutions Regulatory Authority (FINRA) or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor. In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors. Emkay Global Financial Services Ltd. has entered into a chaperoning agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo"). Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

RESTRICTIONS ON DISTRIBUTION

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. Except otherwise restricted by laws or regulations, this report is intended only for qualified, professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person. Unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom.

ANALYST CERTIFICATION BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL)

The research analyst(s) primarily responsible for the content of this research report, in part or in whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The analyst(s) also certifies that no part of his/her compensation was, is, or will be, directly or indirectly, related to specific recommendations or views expressed in the report. The research analyst (s) primarily responsible of the content of this research report, in part or in whole, certifies that he or his associated persons¹ may have served as an officer, director or employee of the issuer or the new listing applicant (which includes in the case of a real estate investment trust, an officer of the management company of the real estate investment trust; and in the case of any other entity, an officer or its equivalent counterparty of the entity who is responsible for the management of the issuer or the new listing applicant). The research analyst(s) primarily responsible for the content of this research report or his associate may have Financial Interests² in relation to an issuer or a new listing applicant that the analyst reviews. EGFSL has procedures in place to eliminate, avoid and manage any potential conflicts of interests that may arise in connection with the production of research reports. The research analyst(s) responsible for this report operates as part of a separate and independent team to the investment banking function of the EGFSL and procedures are in place to ensure that confidential information held by either the research or investment banking function is handled appropriately. There is no direct link of EGFSL compensation to any specific investment banking function of the EGFSL.

¹ An associated person is defined as (i) who reports directly or indirectly to such a research analyst in connection with the preparation of the reports; or (ii) another person accustomed or obliged to act in accordance with the directions or instructions of the analyst.

² Financial Interest is defined as interest that are commonly known financial interest, such as investment in the securities in respect of an issuer or a new listing applicant, or financial accommodation arrangement between the issuer or the new listing applicant and the firm or analysis. This term does not include commercial lending conducted at the arm's length, or investments in any collective investment scheme other than an issuer or new listing applicant notwithstanding the fact that the scheme has investments in securities in respect of an issuer or a new listing applicant.

COMPANY-SPECIFIC / REGULATORY DISCLOSURES BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):

Disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) covered in this report:-

- EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her associate/relative's may have Financial Interest/proprietary positions in the securities recommended in this report as of July 4, 2024
- EGFSL, and/or Research Analyst does not market make in equity securities of the issuer(s) or company(ies) mentioned in this Report
Disclosure of previous investment recommendation produced:
- EGFSL may have published other investment recommendations in respect of the same securities / instruments recommended in this research report during the preceding 12 months. Please contact the primary analyst listed in the first page of this report to view previous investment recommendations published by EGFSL in the preceding 12 months.
- EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her relative's may have material conflict of interest in the securities recommended in this report as of July 4, 2024
- EGFSL, its affiliates and Research Analyst or his/her associate/relative's may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the July 4, 2024
- EGFSL or its associates may have managed or co-managed public offering of securities for the subject company in the past twelve months.
- EGFSL, its affiliates and Research Analyst or his/her associate may have received compensation in whatever form including compensation for investment banking or merchant banking or brokerage services or for products or services other than investment banking or merchant banking or brokerage services from securities recommended in this report (subject company) in the past 12 months.
- EGFSL, its affiliates and/or and Research Analyst or his/her associate may have received any compensation or other benefits from the subject company or third party in connection with this research report.

Emkay Rating Distribution

| Ratings | Expected Return within the next 12-18 months. |
|---------------|---|
| BUY | >15% upside |
| ADD | 5-15% upside |
| REDUCE | 5% upside to 15% downside |
| SELL | <15% downside |

Emkay Global Financial Services Ltd.

CIN - L67120MH1995PLC084899

7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai - 400028. India
Tel: +91 22 66121212 Fax: +91 22 66121299 Web: www.emkayglobal.com

OTHER DISCLAIMERS AND DISCLOSURES:**Other disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) :-**

EGFSL or its associates may have financial interest in the subject company.

Research Analyst or his/her associate/relative's may have financial interest in the subject company.

EGFSL or its associates and Research Analyst or his/her associate/ relative's may have material conflict of interest in the subject company. The research Analyst or research entity (EGFSL) have not been engaged in market making activity for the subject company.

EGFSL or its associates may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of public appearance or publication of Research Report.

Research Analyst or his/her associate/relatives may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of public appearance or publication of Research Report.

Research Analyst may have served as an officer, director or employee of the subject company.

EGFSL or its affiliates may have received any compensation including for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. . Emkay may have issued or may issue other reports that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Emkay Investors may visit www.emkayglobal.com to view all Research Reports. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the research published by any other analyst or by associate entities of Emkay; our proprietary trading, investment businesses or other associate entities may make investment decisions that are inconsistent with the recommendations expressed herein. EGFSL or its associates may have received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. EGFSL or its associates may have received any compensation or other benefits from the Subject Company or third party in connection with the research report. EGFSL or its associates may have received compensation from the subject company in the past twelve months. Subject Company may have been client of EGFSL or its affiliates during twelve months preceding the date of distribution of the research report and EGFSL or its affiliates may have co-managed public offering of securities for the subject company in the past twelve months.