

Britannia Industries | BUY

Better realisations & cost savings drive earnings beat

Britannia Mar-Q earnings print was operationally better than expectations. Revenue growth was tad better although construct was different as volume growth of 3% was below our forecasts (c.5-6%), more than offset by a much higher price/mix growth. GM improved qoq with benefit of price hikes coming thru which along with much lower overhead costs led to 9/12% beat on EBITDA/PAT. For FY26E, we believe high single digit sales growth should sustain with price hike benefit flowing thru and recovery in volumes. Further, the input cost basket is seeing signs of moderation with prices of key inputs coming off (palm oil, laminates, sugar) – which will aid qoq improvement in gross margins. This apart, continued execution on cost saving measures (aiming for savings of 2.5% of sales) should aid double-digit EBITDA growth with high teen margins from 2QFY26E onwards, in our view. Factoring 4Q beat, we have raised our FY26/27E by c.4%. With earnings visibility remaining healthy, we maintain BUY with revised TP of INR 5,960 (50x June'27 EPS). Any sharp dips should be used as opportunity to add.

- Volume growth lower than estimate more than offset by better realisations:** Britannia's 4QFY25 consolidated revenue (excl. other op income) grew 9% yoy to INR 43.8bn. Volumes grew 3% (lower than our expectations of +5%), while price-mix growth of 6% (JMFe: +3%) drove revenue growth – price increases were actioned to counter inflation. Gross margins declined 481bps yoy (largely inline) due to high input costs. This was largely offset by tightly controlled staff and other expenses, limiting EBITDA margin compression to 122bps at 18.4% (JMFe: 17%). EBITDA and net profit grew 2.3% and 4% to INR 8.1bn and INR 5.6bn respectively (c.9-12% above JMFe). Adjacent categories continued to perform well (Croissant, Drinks grew DD; Rusk grew HSD). Management does not expect material price hikes going forward and anticipates delta between revenue and volume at c.5%. It endeavours to get back to DD revenue growth with higher profit growth.
- Weaker gross margins to large extent offset by lower than expected overheads, driving overall earnings beat:** Britannia's consolidated gross margin contracted 481bps yoy to 39.3% (inline with estimate), as its key commodities (palm oil/cocoa/milk) continued to remain inflationary. Sequential improvement (GPM up 238bps qoq) was driven by price hikes and some moderation in certain raw materials (sugar, milk, cocoa, laminates). As guided, management undertook some pricing actions during the quarter and is necessitated to take some more in 1QFY26 to counter input cost inflation. In the near term, if RM environment continues to moderate, management will not take any further upward pricing action. Impact of weak gross margins was largely offset by lower staff costs (+1.5% yoy) and savings in other overheads (-8% yoy) driving robust earnings beat. Britannia's cost leadership strategy continued to yield favourable results, as cost improvement across verticals was 9x (vs. FY14, overall savings of 2.5% of revenue), better than its target of 8x for FY25. Resultant EBITDA grew 2.3% yoy to INR 8.1bn with margin compression of 122bps to 18.4% (above our estimate of 17%). Lower depreciation and higher other income led to PAT growth of 4% yoy to INR 5.6bn.


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Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	5,960
Upside/(Downside)	9.6%
Previous Price Target	5,575
Change	6.9%

Key Data – BRIT IN

Current Market Price	INR5,436
Market cap (bn)	INR1,309.4/US\$15.3
Free Float	39%
Shares in issue (mn)	240.9
Diluted share (mn)	240.9
3-mon avg daily val (mn)	INR2,287.5/US\$26.8
52-week range	6,473/4,506
Sensex/Nifty	79,454/24,008
INR/US\$	85.4

Price Performance

%	1M	6M	12M
Absolute	1.6	0.0	7.3
Relative*	-3.9	-1.0	-1.9

* To the BSE Sensex

Financial Summary

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	165,462	175,350	191,696	210,166	230,436
Sales Growth (%)	3.5	6.0	9.3	9.6	9.6
EBITDA	31,698	31,872	35,392	38,788	42,546
EBITDA Margin (%)	18.9	17.8	18.1	18.1	18.1
Adjusted Net Profit	21,419	21,972	24,861	27,822	31,142
Diluted EPS (INR)	88.9	91.2	103.2	115.5	129.3
Diluted EPS Growth (%)	10.1	2.6	13.1	11.9	11.9
ROIC (%)	86.8	86.3	104.2	128.2	158.2
ROE (%)	57.3	53.0	52.9	50.6	48.2
P/E (x)	61.1	59.6	52.7	47.1	42.1
P/B (x)	33.2	30.1	26.0	22.0	18.8
EV/EBITDA (x)	41.3	41.1	36.7	33.2	30.0
Dividend Yield (%)	1.4	1.4	1.4	1.6	1.8

Source: Company data, JM Financial. Note: Valuations as of 09/May/2025

JM Financial Research is also available on:
Bloomberg - JMFR <GO>,
Thomson Publisher & Reuters,
S&P Capital IQ, FactSet and Visible Alpha

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

Concall Highlights

■ Operating environment

- Management highlighted clear signs of demand recovery in the industry on the back of sequential improvement in GDP growth trends and private final consumption expenditure. Management is reasonably optimistic that trends will continue to see gradual improvement.
- Commodity environment has witnessed aggressive inflation in key agri-commodities like wheat, palm oil, sugar, cocoa and milk. Despite some moderation, wheat/palm oil/cocoa/milk continued to remain inflationary during the quarter. Going ahead, management expects inflationary trends to cool down ahead of good crop season, though does not see deflation in wheat as government offered higher ASP (+7% vs. LY).
- Company closely monitors its commodity environment and remains vigilant of competitive pricing actions.

■ Volume trends and pricing actions

- Volume trajectory though lower was reasonably good. The delta between volume and revenue growth stood at 5.5%, implying volume growth of c.3% for the quarter. Going ahead, management is hopeful that growth trends will continue to improve and will reduce the delta between volume and revenue.
- As previously guided, company undertook pricing actions in 4Q and anticipates some more necessary price hikes in 1QFY26 to counter inflation and maintain margins. Management also stated that, if inflationary trends continue to moderate then it will stop taking any further price hikes.
- Going ahead, management does not expect smaller players to take immediate price cuts, if inflationary trends moderate.

■ Distribution and channel expansion

- Company expanded its direct distribution reach to 2.87mn outlets (vs. 2.79mn in FY24) with rural distribution now at 31K. As on date, company reaches 6.5mn outlets (including direct and indirect reach) vs. overall FMCG reach of 9mn outlet.
- Company's route-to-market strategy clearly sets out to increase depth in direct distribution and improve width in rural markets. Within distribution expansion, company focuses on an internal metric of volume per outlet to track progress.
- Company leveraged the growth momentum in E-commerce with innovations, channel grew 7.4x vs. other channels. Presently, modern trade channels contributes to 4% of its revenue with quick commerce having higher saliency. Going ahead, it expects to achieve 8% saliency.

■ Adjacent business

- Croissant/Drinks continues to remain robust with double-digit growth. Croissant/wafers grow at 3x of biscuits with revenue upwards of INR 100crs. Drinks portfolio crossed the INR 200 crs mark.
- Company relaunched Rusk with new packaging continues to grow in high single digit, despite high competitive intensity as there are 2,500+ players in this market (Entry in rusk by Tata Soulful to have negligible impact). Company expects this category to grow in double-digits going ahead.
- Within International business, turnaround in growth visible with profitability inching up in the past few years.

- Previously in adjacent business, company faced heightened competition from smaller players selling heavily discounted products largely in ecommerce channels. This price disparity has an adverse impact on GT channels. Company strategically revamped its price points and made it uniform across channels, which led to improvement in traditional channels by c.40%.

■ Guidance

- Company endeavors to deliver double-digit revenue growth.
- Management highlighted that current operating margins are at sustainable and comfortable levels and expects to maintain these levels (18-20%).
- Management is cautious while evaluating inorganic opportunities, as ability to generate high returns on such investment seems low. Nonetheless, management is open to evaluate such opportunities if ROI expectations are high.

■ Miscellaneous

- Company's cost leadership strategy continues to yield positive results and strategy remains unchanged for FY26. Management expects to extract savings of 2.5% of revenue in FY26.
- Premiumisation driven by innovation remains key, new innovations are underway and are will be launched in the coming few months.
- Growth differential between biscuits and adjacent businesses stands at c.1.5x.
- Key RM saliency stands at 30% each for wheat and palm oil, 20% for sugar and balance between cocoa/milk/laminates.
- Appointment of Varun Berry as CEO is to fulfil statutory requirement, while succession planning is in place and appointment of new CEO is expected in the next few months.

Exhibit 1. 4QFY25 result snapshot – Revenue performance tad better; savings in overheads drive sharp earnings beat (INR mn)

	CONSOLIDATED FINANCIALS					PARENT COMPANY		
	4QFY25	4QFY24	YoY growth	4QFY25E	% var	4QFY25	4QFY24	YoY growth
Net Sales	43,756	40,141	9.0%	43,378	0.9%	42,189	38,629	9.2%
Other Operating Income	566	553	2.4%	1,190	-52.4%	636	613	3.8%
Gross Profit	17,773	18,269	-2.7%	18,196	-2.3%	16,377	16,974	-3.5%
Gross Profit Margin - % of Net Sales	39.3%	44.1%	-481 bps	39.2%	12 bps	37.3%	42.4%	-504 bps
Staff Cost	1,645	1,620	1.5%	1,800	-8.6%	1,275	1,249	2.1%
Other Expenses	8,076	8,774	-8.0%	9,002	-10.3%	7,314	8,021	-8.8%
EBITDA	8,052	7,875	2.3%	7,394	8.9%	7,787	7,704	1.1%
EBITDA margin - % of Net Sales	18.4%	19.6%	-122 bps	17.0%	136 bps	18.5%	19.9%	-149 bps
Depreciation	810	799	1.3%	837	-3.3%	738	727	1.6%
EBIT	7,242	7,075	2.4%	6,556	10.5%	7,049	6,977	1.0%
Interest Expense	307	264	15.9%	350	-12.4%	301	258	16.5%
Other Income	630	573	9.9%	629	0.2%	716	552	29.8%
PBT	7,566	7,384	2.5%	6,835	10.7%	7,464	7,270	2.7%
Reported Net Profit	5,599	5,383	4.0%	5,015	11.7%	5,571	5,302	5.1%

Source: Company, JM Financial

Exhibit 2. Quarterly financial performance – consolidated basis

INR mn	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25
Volume growth	5.0%	3.0%	1.0%	0.0%	0.2%	5.5%	6.0%	8.0%	8.0%	6.0%	3.0%
Sales	43,376	41,015	38,920	39,698	43,705	41,918	40,141	41,299	45,662	44,633	43,756
YoY	22%	16%	11%	9%	1%	2%	3%	4%	4%	6%	9%
Other Operating Income	420	953	1,312	409	624	645	553	1,204	1,013	1,293	566
Total sales	43,796	41,968	40,232	40,107	44,329	42,563	40,694	42,503	46,676	45,926	44,322
YoY	21%	17%	13%	8%	1%	1%	1%	6%	5%	8%	9%
Gross Profit	17,050	18,321	18,073	16,820	19,011	18,673	18,269	18,449	19,381	17,784	17,773
Staff cost	1,626	1,782	1,706	1,883	1,599	1,985	1,620	2,020	2,323	1,059	1,645
Other expenses	8,308	8,363	8,358	8,048	8,688	8,477	8,774	8,893	9,224	8,276	8,076
EBITDA	7,117	8,176	8,009	6,889	8,724	8,211	7,874	7,537	7,834	8,449	8,052
YoY	27%	51%	46%	38%	23%	0%	-2%	9%	-10%	3%	2%
Depreciation	517	580	653	708	717	781	799	739	761	824	810
Interest	541	381	349	531	534	311	264	290	346	446	307
Other income	532	508	564	539	524	506	573	556	460	625	630
PBT	6,591	7,722	7,571	6,190	7,997	7,625	7,384	7,064	7,187	7,804	7,566
YoY	26%	52%	46%	34%	21%	-1%	-2%	14%	-10%	2%	2%
Tax	1,686	2,169	2,035	1,665	2,121	2,026	1,980	1,762	1,836	1,961	1,928
PAT after exceptional item	4,905	9,309	5,536	4,525	5,875	5,570	5,404	5,055	5,350	5,843	5,638
Share of profit of associates	1	15	40	30	-10	-13	-38	-7	-34	-20	-47
Minority Interest	-27	0	-11	-21	-11	-7	-17	-8	1	6	-8
PAT	4,933	9,324	5,587	4,576	5,876	5,564	5,383	5,056	5,315	5,817	5,600
YoY	28%	151%	47%	36%	19%	-40%	-4%	11%	-10%	5%	4%
% to sales	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25
Gross margin	39.3%	44.7%	46.4%	42.4%	43.5%	44.5%	45.5%	44.7%	42.4%	39.8%	40.6%
Staff cost	3.7%	4.3%	4.4%	4.7%	3.7%	4.7%	4.0%	4.9%	5.1%	2.4%	3.8%
Other expenses	19.2%	20.4%	21.5%	20.3%	19.9%	20.2%	21.9%	21.5%	20.2%	18.5%	18.5%
EBITDA margin	16.4%	19.9%	20.6%	17.4%	20.0%	19.6%	19.6%	18.2%	17.2%	18.9%	18.4%
EBITDA margin (incl. other operating income)	16.3%	19.5%	19.9%	17.2%	19.7%	19.3%	19.4%	17.7%	16.8%	18.4%	18.2%

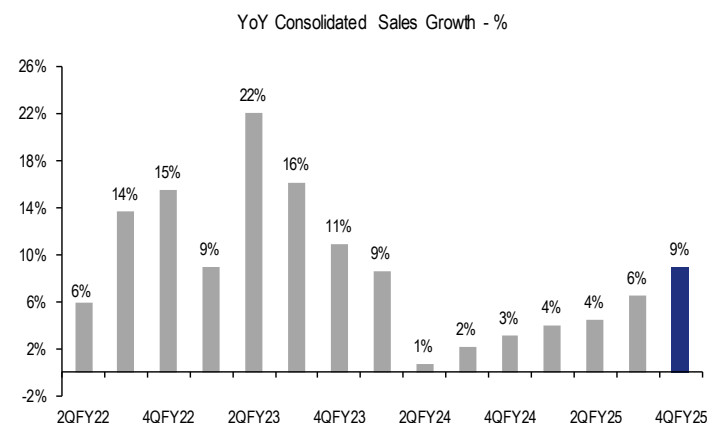
Source: Company, JM Financial

Exhibit 3. Quarterly financial performance – standalone basis

INR mn	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25
Sales	41,447	39,114	37,587	38,243	42,203	40,314	38,629	39,674	43,919	42,811	42,189
YoY	23%	18%	14%	10%	2%	3%	3%	4%	4%	6%	9%
Other Operating Income	464	998	1,360	464	686	710	613	1,271	1,090	1,371	636
Total sales	41,910	40,112	38,947	38,706	42,889	41,024	39,242	40,944	45,008	44,181	42,825
YoY	22%	19%	17%	10%	2%	2%	1%	6%	5%	8%	9%
Gross Profit	15,634	16,922	16,789	15,567	17,698	17,341	16,974	17,074	17,855	16,315	16,377
Staff cost	1,297	1,415	1,365	1,522	1,251	1,632	1,249	1,647	1,947	678	1,275
Other expenses	7,463	7,609	7,477	7,379	8,038	7,781	8,021	8,144	8,446	7,533	7,314
EBITDA	6,874	7,898	7,947	6,666	8,409	7,929	7,704	7,283	7,462	8,104	7,787
YoY	29%	54%	52%	42%	22%	0%	-3%	9%	-11%	2%	1%
Depreciation	441	500	575	634	644	707	727	667	689	752	738
Interest	511	354	296	484	480	292	258	286	343	441	301
Other income	658	484	532	522	532	496	552	673	520	598	716
PBT	6,580	7,528	7,608	6,071	7,817	7,425	7,270	7,003	6,950	7,509	7,464
YoY	31%	54%	38%	38%	19%	-1%	-4%	15%	-11%	1%	3%
Tax	1,655	2,137	2,027	1,640	2,113	2,013	1,969	1,736	1,804	1,938	1,893
PAT	4,926	7,669	5,582	4,431	5,705	5,384	5,302	5,021	5,144	5,571	5,571
YoY	34%	115%	35%	38%	16%	-30%	-5%	13%	-10%	3%	5%
% to sales	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25
Gross margin	37.7%	43.3%	44.7%	40.7%	41.9%	43.0%	43.9%	43.0%	40.7%	38.1%	38.8%
Staff cost	3.1%	3.6%	3.6%	4.0%	3.0%	4.0%	3.2%	4.2%	4.4%	1.6%	3.0%
Other expenses	18.0%	19.5%	19.9%	19.3%	19.0%	19.3%	20.8%	20.5%	19.2%	17.6%	17.3%
EBITDA margin	16.6%	20.2%	21.1%	17.4%	19.9%	19.7%	19.9%	18.4%	17.0%	18.9%	18.5%
EBITDA margin (incl. other operating income)	16.4%	19.7%	20.4%	17.2%	19.6%	19.3%	19.6%	17.8%	16.6%	18.3%	18.2%

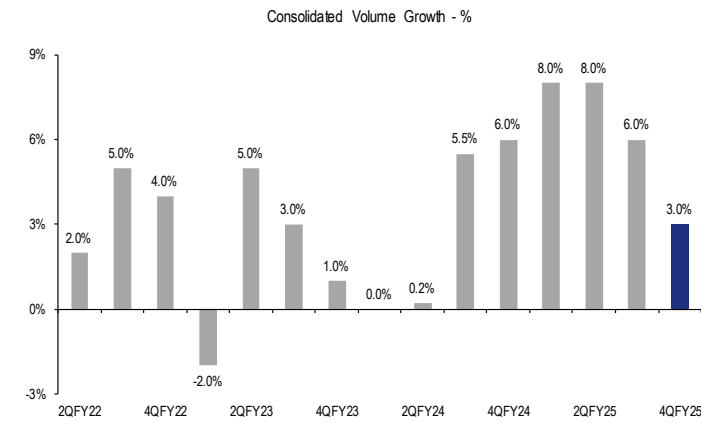
Source: Company, JM Financial

Exhibit 4. Britannia reported consolidated revenue of c.43.8bn...



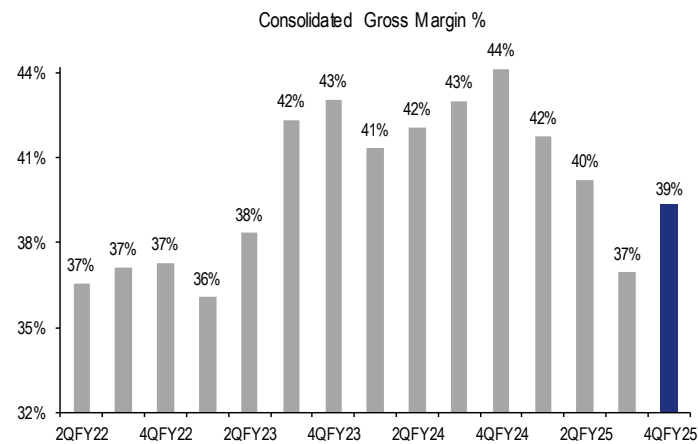
Source: Company, JM Financial

Exhibit 5. ... driven by price-mix growth of 6%



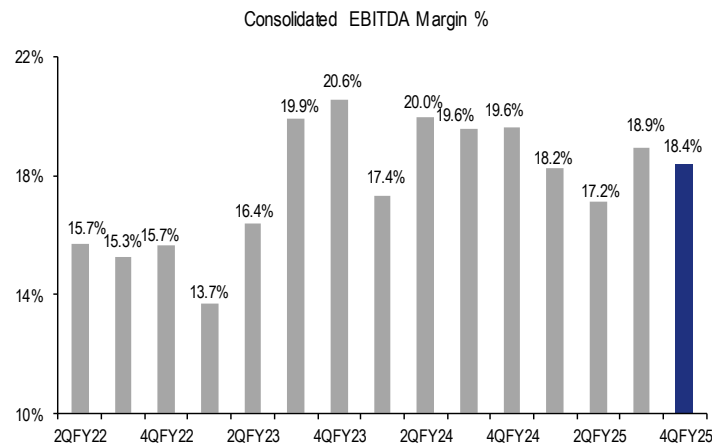
Source: Company, JM Financial

Exhibit 6. Consolidated gross margins fell 481bps yoy though up 238bps qoq...



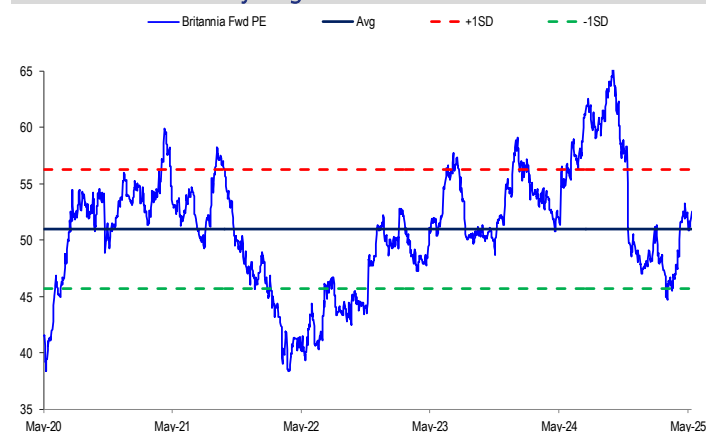
Source: Company, JM Financial

Exhibit 7. ...while EBITDA margins were down 122bps yoy and 53bps qoq



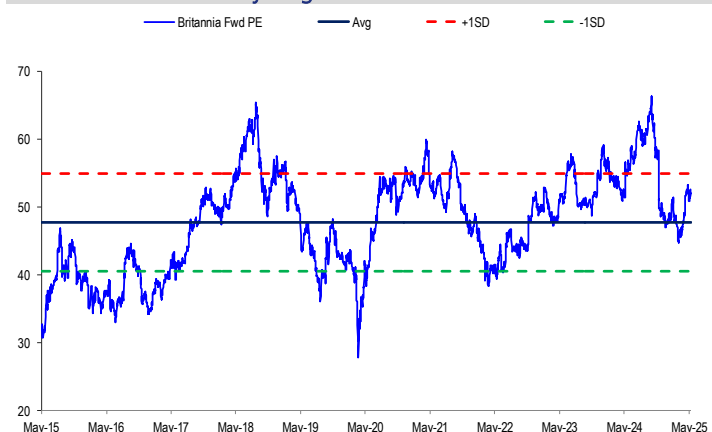
Source: Company, JM Financial

Exhibit 8. Britannia's 5yr avg. PE Band



Source: Bloomberg, Company, JM Financial

Exhibit 9. Britannia's 10yr avg. PE Band



Source: Bloomberg, Company, JM Financial

Exhibit 10. Revision in estimates

INR mn	Revised		Earlier		Change %	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Sales	191,696	210,166	192,298	210,867	-0.3%	-0.3%
EBITDA	35,392	38,788	33,956	37,422	4.2%	3.6%
PAT	24,861	27,822	23,781	26,817	4.5%	3.7%
EPS	103	115	99	111	4.5%	3.7%

Source: Company, JM Financial

Financial Tables (Consolidated)

Income Statement					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	165,462	175,350	191,696	210,166	230,436
Sales Growth	3.5%	6.0%	9.3%	9.6%	9.6%
Other Operating Income	2,231	4,077	4,026	4,014	4,010
Total Revenue	167,693	179,427	195,722	214,180	234,446
Cost of Goods Sold/Op. Exp	94,920	106,041	114,798	125,868	138,022
Personnel Cost	7,087	7,046	8,051	8,764	9,540
Other Expenses	33,987	34,469	37,480	40,760	44,337
EBITDA	31,698	31,872	35,392	38,788	42,546
EBITDA Margin	18.9%	17.8%	18.1%	18.1%	18.1%
EBITDA Growth	12.0%	0.5%	11.0%	9.6%	9.7%
Depn. & Amort.	3,005	3,133	3,326	3,454	3,552
EBIT	28,694	28,738	32,066	35,334	38,994
Other Income	2,142	2,271	2,484	3,189	3,997
Finance Cost	1,640	1,388	1,100	1,107	1,114
PBT before Excep. & Forex	29,196	29,621	33,450	37,415	41,877
Excep. & Forex Inc./Loss(-)	-29	-248	0	0	0
PBT	29,167	29,373	33,450	37,415	41,877
Taxes	7,793	7,487	8,526	9,537	10,674
Extraordinary Inc./Loss(-)	0	0	0	0	0
Assoc. Profit/Min. Int.(-)	-24	99	63	56	61
Reported Net Profit	21,398	21,787	24,861	27,822	31,142
Adjusted Net Profit	21,419	21,972	24,861	27,822	31,142
Net Margin	12.8%	12.2%	12.7%	13.0%	13.3%
Diluted Share Cap. (mn)	240.9	240.9	240.9	240.9	240.9
Diluted EPS (INR)	88.9	91.2	103.2	115.5	129.3
Diluted EPS Growth	10.1%	2.6%	13.1%	11.9%	11.9%
Total Dividend + Tax	17,706	18,068	18,646	20,867	23,356
Dividend Per Share (INR)	73.5	75.0	77.4	86.6	97.0

Source: Company, JM Financial

Cash Flow Statement					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	29,196	29,621	33,450	37,415	41,877
Depn. & Amort.	3,005	3,133	3,326	3,454	3,552
Net Interest Exp. / Inc. (-)	0	0	0	0	0
Inc (-) / Dec in WCap.	1,611	-42	1,419	296	309
Others	-433	-1,014	-1,383	-2,082	-2,883
Taxes Paid	-7,649	-6,892	-8,653	-9,326	-10,437
Operating Cash Flow	25,730	24,807	28,159	29,757	32,418
Capex	-4,970	-3,703	-1,917	-1,891	-1,843
Free Cash Flow	20,760	21,104	26,242	27,866	30,574
Inc (-) / Dec in Investments	5,802	-256	-1,433	-1,504	-1,580
Others	3,923	4,802	2,411	3,121	3,923
Investing Cash Flow	4,755	844	-938	-274	500
Inc / Dec (-) in Capital	0	0	0	0	0
Dividend + Tax thereon	-17,325	-17,675	-18,068	-18,646	-20,867
Inc / Dec (-) in Loans	-9,402	-8,208	0	0	0
Others	-1,578	-1,735	-1,094	-1,101	-1,107
Financing Cash Flow	-28,305	-27,619	-19,162	-19,746	-21,974
Inc / Dec (-) in Cash	2,180	-1,969	8,059	9,736	10,944
Opening Cash Balance	2,284	5,093	3,125	11,183	20,920
Closing Cash Balance	4,463	3,125	11,183	20,920	31,864

Source: Company, JM Financial

Balance Sheet					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders' Fund	39,415	43,557	50,351	59,527	69,802
Share Capital	241	241	241	241	241
Reserves & Surplus	39,174	43,316	50,110	59,286	69,562
Preference Share Capital	0	0	0	0	0
Minority Interest	245	256	246	235	223
Total Loans	20,412	12,248	12,248	12,248	12,248
Def. Tax Liab. / Assets (-)	-418	-348	-268	-178	-78
Total - Equity & Liab.	59,654	55,713	62,577	71,831	82,195
Net Fixed Assets	29,580	29,923	28,514	26,952	25,243
Gross Fixed Assets	45,554	50,014	51,931	53,822	55,666
Intangible Assets	0	0	0	0	0
Less: Depn. & Amort.	17,849	20,983	24,309	27,763	31,315
Capital WIP	1,875	892	892	892	892
Investments	30,267	28,654	30,087	31,591	33,171
Current Assets	30,443	29,435	40,377	52,845	66,783
Inventories	11,812	12,365	12,993	14,244	15,618
Sundry Debtors	3,933	4,486	4,904	5,377	5,895
Cash & Bank Balances	4,464	3,125	11,183	20,920	31,864
Loans & Advances	8,246	7,799	9,553	10,474	11,484
Other Current Assets	1,988	1,660	1,743	1,830	1,922
Current Liab. & Prov.	30,636	32,300	36,401	39,556	43,003
Current Liabilities	23,809	24,695	28,453	31,113	34,026
Provisions & Others	6,827	7,604	7,948	8,444	8,976
Net Current Assets	-193	-2,864	3,976	13,289	23,781
Total - Assets	59,654	55,713	62,577	71,831	82,195

Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	12.8%	12.2%	12.7%	13.0%	13.3%
Asset Turnover (x)	2.4	2.8	2.9	2.8	2.7
Leverage Factor (x)	1.8	1.6	1.4	1.4	1.3
RoE	57.3%	53.0%	52.9%	50.6%	48.2%

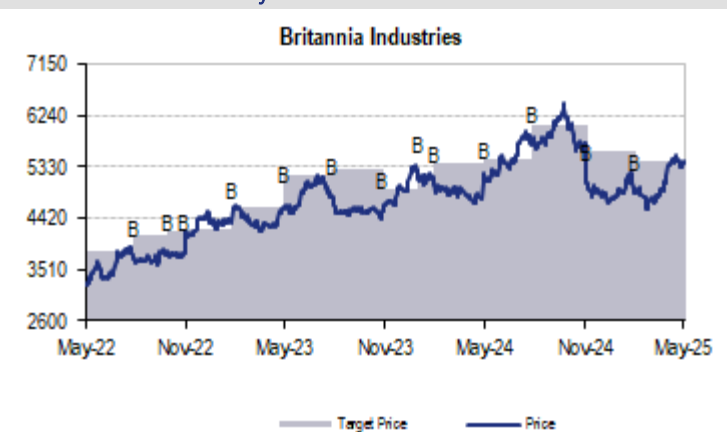
Key Ratios					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	163.6	180.8	209.0	247.1	289.8
ROIC	86.8%	86.3%	104.2%	128.2%	158.2%
ROE	57.3%	53.0%	52.9%	50.6%	48.2%
Net Debt/Equity (x)	0.0	0.0	-0.2	-0.4	-0.5
P/E (x)	61.1	59.6	52.7	47.1	42.1
P/B (x)	33.2	30.1	26.0	22.0	18.8
EV/EBITDA (x)	41.3	41.1	36.7	33.2	30.0
EV/Sales (x)	7.8	7.3	6.6	6.0	5.5
Debtor days	9	9	9	9	9
Inventory days	26	25	24	24	24
Creditor days	63	61	64	64	64

Source: Company, JM Financial

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
1-Jan-21	Buy	4,105	
5-Feb-21	Buy	4,095	-0.2
27-Apr-21	Buy	4,095	0.0
31-Jul-21	Buy	3,830	-6.5
8-Nov-21	Buy	3,980	3.9
29-Jan-22	Buy	3,850	-3.3
3-May-22	Buy	3,850	0.0
5-Aug-22	Buy	4,120	7.0
7-Oct-22	Buy	4,200	1.9
5-Nov-22	Buy	4,210	0.2
1-Feb-23	Buy	4,620	9.7
6-May-23	Buy	5,190	12.3
4-Aug-23	Buy	5,270	1.5
2-Nov-23	Buy	4,925	-6.5
8-Jan-24	Buy	5,190	5.4
6-Feb-24	Buy	5,380	3.7
6-May-24	Buy	5,475	1.8
5-Aug-24	Buy	6,070	10.9
12-Nov-24	Buy	5,610	-7.6
7-Feb-25	Buy	5,410	-3.6

Recommendation History



APPENDIX I

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

Member of BSE Ltd. and National Stock Exchange of India Ltd.

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Definition of ratings	
Rating	Meaning
Buy	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
Hold	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
Sell	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

* REITs refers to Real Estate Investment Trusts.

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