

Consumer



Company	TP INR	Reco
Staples		
BRIT	5,900	Neutral
CLGT	2,650	Neutral
DABUR	575	Buy
HMN	700	Buy
GCPL	1,450	Buy
HUVR	2,850	Buy
ITC	515	Buy
JYL	375	Neutral
L T Foods	600	Buy
MRCO	825	Buy
NESTLE	2,400	Neutral
PG	15,000	Neutral
Tata Consumer	1,300	Buy
Varun beverages	620	Buy
Paints		
APNT	2,500	Neutral
INDIGOPN	1,350	Buy
PIDI	3,000	Neutral
Liquor		
UNSP	1,500	Neutral
RDCK	3,000	Buy
UBBL	2,000	Neutral
Innerwear		
PAGE	57,500	Buy
QSR		
BBQ	325	Neutral
DEVYANI	210	Buy
JUBI	750	Neutral
RBA	135	Buy
SAPPHIRE	375	Buy
WESTLIFE	775	Neutral
Jewelry		
KALYANKJ	660	Buy
PNG	825	Buy
SENCO	400	Neutral
TTAN	4,250	Buy

Steady overall demand with Jewelry outlier; soft margins

In our consumer coverage universe, all segments are expected to deliver revenue/EBITDA growth YoY in 1QFY26—staples +6%/+1%, paints & adhesives +3%/+2%, liquor +11%/+6%, innerwear +12%/+21%, QSR +11%/+10%, and jewelry +20%/+27%.

- Ongoing revenue trends continue:** In 1QFY26, demand trends across various categories continued to mirror recent historical quarters. Staple companies are likely to experience a similar trend due to sluggish urban demand and high-cost inventory. We expect a marginal pickup in volume growth, with price hikes supporting 1Q revenue growth. We expect **staples** companies' revenue growth in the range of mid-to-high single digit. **Paint** companies are still struggling with a muted demand environment and high competitive intensity. However, some improvement is expected in the product mix. In **liquor**, UNSP's P&A portfolio is expected to see subdued volume growth in 1QFY26, partly due to a high base in 1QFY25, which had benefited from high elections-led inventory stocking. UBBL is also likely to deliver low double-digit revenue growth. While the early onset of monsoon is expected to weigh on volume growth, this is likely to be offset by healthy realization growth, the benefit of price hikes in the Telangana market, and premiumization. **Innerwear** companies are expected to see low double-digit growth due to soft inventory and product launches. The pressure from high trade inventory has eased, and primary growth is expected to align with secondary growth. The demand environment for **QSR** companies remained muted in 1QFY26. While demand sentiments remained healthy in Apr'25, they remained weak in May'25 and the second half of Jun'25. The performance of the dine-in channel and the revenue gap between dine-in and delivery will be key monitorables during the quarter. **Jewelry** demand was healthy in April but has since moderated due to the sharp rise in gold prices.
- Operating margin to remain subdued:** Despite moderating prices of key raw materials, gross margins for most consumer companies are expected to remain subdued due to high-cost RM inventory. Moreover, staple companies have increased promotional spending to drive demand growth, further pressuring EBITDA margins. While QSR and paint companies are likely to experience EBITDA margin contraction, liquor (ex-UNSP) and innerwear companies are expected to report margin expansion due to softer raw material costs and an improved product mix. Jewelry companies are expected to face margin pressure due to a shift toward more franchise-driven store expansion, slower studied jewelry growth, and high gold inflation. SSSG is expected in low double digits to mid-teens, primarily driven by pricing growth.
- Outperformers and under-performers:** Among our coverage companies, MRCO, JUBI, PAGE, Kalyan Jewellers, and PNG are expected to be outliers in 1QFY26, whereas Asian Paints, Indigo Paints, Emami, Dabur, UNSP, and Devyani/Sapphire will likely be underperformers.
- Outlook:** While the slowdown has continued across consumer segments, demand trends are expected to improve gradually, supported by a healthy monsoon outlook, income tax benefits, interest rate cuts, and a gradual improvement in the macro environment. **Our top picks are Marico, PN Gadgil, Radico Khaitan, and RBA.**

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Segment-wise performance

- **Staples:** No material uptick in demand trends is expected in 1QFY26 as they continue to mirror recent historical quarters. Demand remained impacted by weakness in urban consumption, while rural markets are recovering gradually. Despite RM softening, the benefits should start to become visible from 2QFY26 onwards, as companies are still carrying high-cost RM inventory. Moreover, the early onset of monsoon has adversely impacted summer-led products, HI, and out-of-home portfolios. Volume growth is likely to remain in the low- to mid-single digits, while price hikes realized in 1QFY26 should aid overall revenue growth. We model gross margin contraction of 170bp YoY and EBITDA margin contraction of 130bp on a YoY basis due to high inventory costs (tea, wheat, palm oil, and edible oils) and negative operating leverage. For staple companies under our coverage, we expect sales/EBITDA/PAT growth of 6%/1%/2% in 1QFY26.
- **Paint & adhesives:** Revenue growth for paint companies is expected to remain weak in 1QFY26, with no material sequential uptick as demand conditions continue to remain muted. Rising competitive intensity is also putting pressure on growth. We believe the product mix will play a key role in driving revenue growth. We still build in a +600bp gap between volume and revenue growth due to an adverse product mix. EBITDA margins are likely to remain under pressure due to higher marketing spends and the impact of negative operating leverage. We build in 3% sales and 2% EBITDA YoY growth for paint companies under our coverage, while APAT is projected to remain flat YoY in 1QFY26.
- **Liquor:** UNSP's P&A portfolio is expected to witness subdued volume growth in 1QFY26, partly due to a high base in 1QFY25, which had benefited from high elections-led inventory stocking. EBITDA margin is expected to contract YoY, driven by higher A&P spends and operating deleverage during the quarter. The impact of Maharashtra's import duty changes is expected to become visible from 2QFY26 onwards. However, companies expect that the adverse impact in Maharashtra can be offset by improved performance in other states as well as mitigation effects within Maharashtra itself. For RDCK, we expect the strong volume trend to sustain. Premiumization trends are expected to remain strong, with growth driven across segments. We expect the company to expand its operating margin, supported by a favorable mix and operating leverage. For UBBL, while we expect the early onset of monsoon to weigh on volume growth, this should be offset by healthy realization growth, reflecting the full-quarter benefit of price hikes (effective from mid-Feb) in the Telangana market and the ongoing premiumization drive, leading to low double-digit revenue growth. Price hikes should support gross margins, while slow volume growth may not fully translate into operating margin improvement. We expect sales/EBITDA/PAT growth of 11%/6%/10% for our coverage companies in 1QFY26.
- **Innerwear:** We expect low double-digit revenue growth for Page Industries in 1QFY26, driven by softer inventory, product launches, and successful placements across alternate channels. Weak urban consumption remains a headwind, but normalized trade inventory should enable better primary growth. Primary and secondary sales are now expected to be aligned, reversing the trend observed over the past few quarters. We expect sales/EBITDA/PAT growth of 12%/21%/22% for Page Industries.

- **QSR:** The demand environment for QSR companies remained muted in 1QFY26. While demand sentiments were healthy in Apr'25, they were mixed in May'25 (due to factors such as the impact of war) and showed limited recovery in Jun'25. However, overall demand has still not seen a meaningful recovery, and companies' own initiatives have played a bigger role in sustaining a healthy trend. Jubilant appears strong within the pack, with sustained outperformance in delivery. Among dine-in players, we believe RBA will be the outperformer. With weak underlying growth, most companies are expected to face margin pressure, which will weigh on restaurant-level and EBITDA margins for most brands. The performance of the dine-in channel and the revenue gap between dine-in and delivery will be key monitorables during the quarter. Enhancing the menu and rolling out activation drives for dine-in could be crucial for improving footfall/orders going forward. We expect sales/EBITDA growth of 11%/10%, while APAT is likely to decline 17% for our coverage QSR companies in 1QFY26.
- **Jewelry:** In 1QFY26, gold prices surged ~30-35% YoY and ~15% QoQ, breaching the INR100k mark (per 10gm) in the retail market, driven by ongoing geopolitical tensions. This sharp and rapid increase has led to consumer budget constraints, with many customers choosing to delay purchases in anticipation of a price correction or stabilization, leading to demand softness in 1QFY26. SSSG is expected to grow in low-double digits to mid-teens, primarily driven by pricing growth. Finance costs are expected to stabilize as the GML rate has normalized, following a spike in 4QFY25 due to the imposition of US tariffs. We expect sales/EBITDA/PAT growth of 20%/27%/35% for our coverage jewelry companies in 1QFY26.

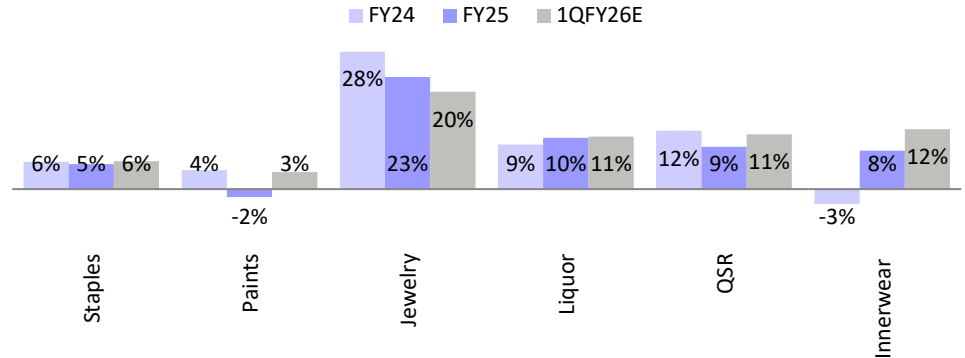
Existing inventory postpones the benefits from cooling input costs

- Commodities such as tea, coffee, and palm oil, which were inflationary in recent quarters, have started to ease in Q1FY26. Despite this moderation in input costs, the benefit to company margins is likely to be delayed, as most companies continued to utilize high-cost inventory in 1QFY26, keeping gross margins under pressure. Benefits from cooling RM pressure are likely to be realized 2QFY26 onwards, which should support most FMCG companies such as Dabur, HUL, Nestlé, Britannia, Marico, and Tata Consumer. Similarly, non-agricultural commodities, including crude oil, its derivatives, and VAM prices, have continued to ease. However, select commodities such as gold and copra continue to experience inflationary pressures.
- **Agricultural commodities:** Wheat prices increased 4% YoY but declined 11% QoQ. Barley prices surged 10% YoY but dipped 5% QoQ, likely impacting companies like UBBL and Nestlé. Sugar prices increased 4% YoY but remained flat QoQ. Coffee prices increased 6% YoY and 2% QoQ, while Cocoa bean prices have started to ease, declining 1% YoY and 3% QoQ, providing some relief for companies like Nestlé and HUL. Copra prices surged 70% YoY and 13% QoQ, while palm oil prices increased 1% YoY but declined 14% QoQ.
- **Non-agricultural commodities:** Given geopolitical issues, Crude oil prices remained volatile in 1QFY26 but declined 20% YoY and 10% QoQ. Other commodities like TiO2 and TiO2 (China) continue to show a downward trend. VAM (China) prices remained range-bound, correcting mere 1% both YoY and

QoQ. In contrast, gold prices surged 32% YoY and 14% QoQ, putting pressure on the margins of jewelry companies.

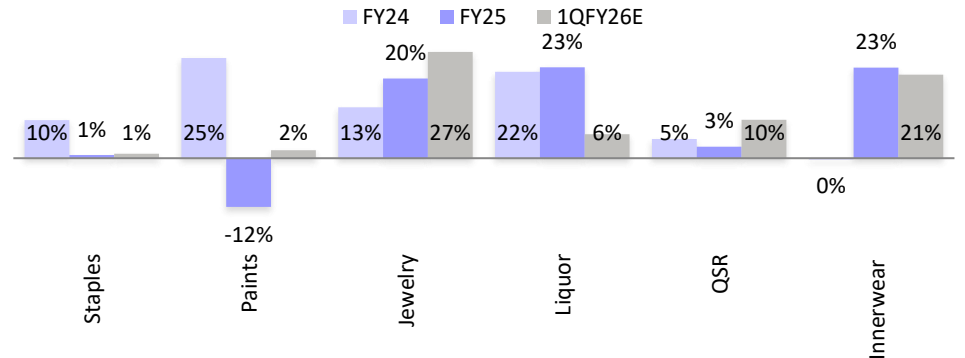
- Companies remain focused on normalizing the gap between volume and value growth while prioritizing a strategic balance between revenue growth and margin expansion amid evolving market dynamics. This approach aims to effectively navigate cost pressures while maintaining competitive positioning.

Exhibit 1: Coverage universe's revenue growth in FY24, FY25, and 1QFY26E (%)



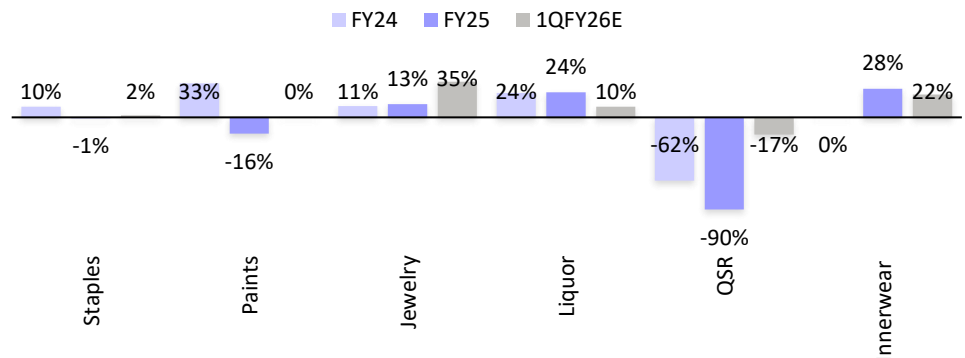
Source: Company, MOFSL

Exhibit 2: Coverage universe's EBITDA growth in FY24, FY25, and 1QFY26E (%)



Source: Company, MOFSL

Exhibit 3: Coverage universe's APAT growth in FY24, FY25, and 1QFY26E (%)



Source: Company, MOFSL

Exhibit 4: Summary of 1QFY26 earnings estimates

Sector	CMP		Sales (INR M)			EBIDTA (INR M)			PAT (INR M)		
	(INR)	Reco	Jun-25	YoY	QoQ	Jun-25	YoY	QoQ	Jun-25	YoY	QoQ
Staples											
Britannia	5,745	Neutral	44,810	8.5	2.4	7,929	5.2	-1.5	5,532	4.5	-1.1
Colgate	2,409	Neutral	15,190	1.5	3.9	4,952	-2.6	-0.6	3,530	-3.0	-0.6
Dabur	482	Buy	34,302	2.4	21.2	6,552	0.0	53.5	4,983	-2.0	51.7
Emami	565	Buy	8,752	-3.4	-9.1	1,965	-9.3	-10.5	1,560	-8.4	-13.9
Godrej Consumer	1,168	Buy	36,759	10.3	2.2	7,538	3.8	-0.7	5,104	9.8	18.1
Hind. Unilever	2,296	Buy	1,64,173	4.5	4.8	36,853	-1.6	1.8	26,000	-1.7	1.3
ITC	415	Buy	1,93,993	5.1	3.4	67,792	0.5	4.0	52,188	2.5	2.8
Jyothy Labs	347	Neutral	7,674	3.4	15.1	1,352	1.3	20.7	1,010	-0.7	25.3
L T Foods	476	Buy	23,505	13.5	5.5	2,798	16.2	8.3	1,716	12.1	6.9
Marico	717	Buy	32,033	21.2	17.3	6,789	8.4	48.2	5,080	9.5	48.1
Nestle	2,410	Neutral	50,890	5.7	-7.5	11,849	5.4	-16.1	7,456	-0.2	-14.6
P&G Hygiene	13,322	Neutral	9,857	5.8	-0.6	1,797	36.9	-14.3	1,477	62.6	-5.4
Tata Consumer	1,095	Buy	47,115	8.3	2.2	6,115	-8.4	-1.5	3,303	9.0	6.3
Varun Beverages	452	Buy	71,969	0.0	29.3	19,633	-1.4	55.3	13,067	4.3	79.7
Paints & Adhesives											
Asian Paints	2,369	Neutral	90,594	1.0	8.4	16,759	-1.1	16.7	11,309	-4.7	28.0
Indigo Paints	1,181	Buy	3,234	4.0	-16.6	499	5.3	-42.9	288	9.8	-49.5
Pidilite Inds.	3,045	Neutral	37,364	10.0	19.0	8,793	8.2	39.0	6,223	9.8	39.1
Liquor											
Radico Khaitan	2,570	Buy	13,830	21.7	6.0	1,978	32.7	11.3	1,096	43.5	20.8
United Breweries	1,950	Neutral	27,202	10.0	17.2	3,291	15.6	76.7	2,096	20.9	115.2
United Spirits	1,401	Neutral	24,986	6.2	-15.2	4,185	-8.6	-17.1	2,862	-4.3	-24.6
Innerwear											
Page Industries	48,226	Buy	14,343	12.3	30.6	2,940	20.8	25.0	2,020	22.3	23.2
QSR											
Barbeque Nation	315	Neutral	3,020	-1.2	3.2	538	5.6	0.9	-60	Loss	Loss
Devyani Intl.	169	Buy	13,334	9.1	10.0	2,267	1.5	12.8	131	-53.5	LP
Jubilant Foodworks	709	Neutral	17,131	19.0	7.9	3,321	19.4	8.7	665	29.1	34.4
Restaurant Brands	83	Buy	5,502	12.2	12.3	772	24.9	-0.7	-174	Loss	Loss
Sapphire Foods	327	Buy	7,823	8.9	10.0	1,182	-4.9	11.2	-2	PL	PL
Westlife Foodworld	769	Neutral	6,669	8.2	10.6	856	7.1	7.8	67	104.8	338
Jewelry											
Kalyan Jewellers	570	Buy	70,772	27.9	14.5	4,645	23.5	16.3	2,324	30.9	23.8
P N Gadgil Jewellers	605	Buy	17,431	4.5	9.8	767	19.3	-18.5	451	27.7	-27.2
Senco Gold	341	Neutral	17,970	28.0	30.4	1,366	25.6	7.5	693	35.1	10.9
Titan Company	3,700	Buy	1,56,868	18.2	5.2	15,950	27.9	3.8	9,747	36.3	11.9

Exhibit 5: Volume growth expectation in 1QFY26

Volume growth (%)	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26E
Asian Paints	10.0	0.0	16.0	10.0	6.0	12.0	10.0	7.0	-0.5	1.6	1.8	7.0
Britannia	5.0	3.0	3.0	0.0	0.0	5.5	6.0	8.0	8.0	6.0	3.0	3.0
Colgate	-2.5	-4.5	0.5	3.0	-1.0	-1.0	1.0	7.0	8.0	4.0	0.0	1.5
Dabur	1.0	-3.0	1.0	3.0	3.0	4.0	3.0	5.2	-7.0	1.2	-5.0	3.0
Emami	-1.0	-3.9	2.0	3.0	2.0	-1.0	6.4	8.7	1.7	4.0	5.0	-3.0
Godrej Consumer	-5.0	3.0	13.0	10.0	4.0	5.0	9.0	8.0	7.0	0.0	4.0	5.0
HUL	4.0	5.0	4.0	3.0	2.0	2.0	2.0	4.0	3.0	0.0	2.0	3.0
ITC	20.0	15.0	11.5	8.0	5.0	-2.0	2.0	3.0	3.5	6.0	5.0	5.0
Jyothy labs	1.4	2.1	3.3	9.0	9.0	11.0	10.0	10.8	3.0	8.0	4.0	5.0
Marico	3.0	4.0	5.0	3.0	3.0	2.0	3.0	4.0	5.0	6.0	7.0	7.9
Nestle	8.8	-2.3	5.1	5.4	5.4	4.0	4.0	2.0	-1.5	2.5	2.0	4.0
Page Industries	1.0	-11.0	-15.0	-11.5	-8.8	4.6	6.1	2.6	6.7	4.7	8.5	9.0
UBBL	23.0	4.0	3.1	-12.4	7.0	8.0	10.9	5.0	5.0	8.0	5.0	4.0
United spirits	8.3	-25.0	-27.3	5.8	1.0	-1.8	3.7	3.5	-4.4	10.2	6.9	4.9
-P&A	12.8	3.9	9.7	10.3	3.8	4.6	3.7	5.1	-3.7	11.2	9.2	5.0
Radico Khaitan	11.0	0.1	-0.7	7.9	-3.1	3.6	-1.0	-4.1	-2.4	15.5	27.5	22.6
Radico Khaitan (P&A)	22.0	14.1	17.0	27.1	21.9	20.1	14.5	14.2	12.7	18.0	16.4	17.0

Source: Company, MOFSL

Exhibit 6: Revenue growth trends of the coverage universe

Company names	Revenue growth (%)							
	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26E
Staples								
Britannia	1	1	1	6	5	8	9	8
Colgate	6	8	10	13	10	5	(2)	1
Dabur	7	7	5	7	(5)	3	1	2
Emami	6	1	7	10	3	5	8	(3)
Godrej Consumer	6	2	6	(3)	2	3	6	10
HUL	3	(0)	(0)	1	2	2	3	5
ITC	4	2	2	8	17	4	5	5
Jyothy	11	11	7	8	0	4	1	3
LT Foods	15	9	14	16	7	17	7	14
Marico	(1)	(2)	2	7	8	15	20	21
Nestle	9	8	9	3	1	4	4	6
P&G Hygiene	9	(0)	13	10	(0)	10	(1)	6
Tata consumer	11	9	9	16	13	17	17	8
Varun Beverages	22	20	11	28	24	38	29	0
Paints & Adhesives								
Asian Paints	0	5	(1)	(2)	(5)	(6)	(4)	1
Indigo Paints	15	26	18	8	7	(3)	1	4
Pidilite	2	4	8	4	5	8	8	10
Liquor								
United Breweries	12	13	21	9	12	10	9	10
United Spirits	(1)	7	7	8	(1)	15	11	6
Radico Khaitan	21	47	30	19	21	11	21	22
Innerwear								
Page Industries	(8)	2	3	4	11	7	11	12
QSR								
Jubilant Food.	5	3	15	10	9	19	10	19
Devyani International	10	7	39	44	49	54	16	9
Westlife Foodworld	7	(2)	1	0	1	9	7	8
Sapphire Foods	14	12	13	10	8	14	13	9
Restaurant Brands (India)	23	20	20	16	9	11	12	12
Barbeque Nation	(3)	1	6	(6)	1	(1)	(2)	(1)
Jewelry								
Titan	37	22	21	12	16	25	19	18
Kalyan	27	34	34	27	37	40	37	28
Senco	26	23	40	8	31	24	21	28
PN Gadgil				33	46	24	5	4

Exhibit 7: EBITDA growth trends of the coverage universe

Company names	EBITDA growth (%)							
	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26E
Staples								
Britannia	23	0	(2)	9	(10)	3	2	5
Colgate	18	30	18	22	3	(3)	(6)	(3)
Dabur	10	8	14	8	(16)	2	(9)	0
Emami	20	7	6	14	7	8	4	(9)
Godrej Consumer	26	18	14	7	5	(16)	(0)	4
HUL	9	(1)	(1)	2	(0)	1	2	(2)
ITC	3	(3)	0	1	5	(2)	(2)	0
Jyothy	68	41	19	14	2	(2)	3	1
LT Foods	40	44	25	13	(5)	5	5	16
Marico	15	13	12	9	5	4	4	8
Nestle	22	14	19	5	(4)	(1)	5	5
P&G Hygiene	33	7	72	(38)	2	20	(19)	37
Tata consumer	24	26	23	22	17	(1)	(1)	(8)
Varun Beverages	26	36	24	32	30	39	28	(1)
Paints & Adhesives								
Asian Paints	40	28	(9)	(20)	(28)	(20)	(15)	(1)
Indigo Paints	25	53	18	(4)	(1)	(8)	3	5
Pidilite	36	50	26	15	13	8	10	8
Liquor								
United Breweries	(16)	90	166	28	23	(3)	31	16
United Spirits	6	34	7	19	8	20	40	(9)
Radico Khaitan	35	47	55	25	35	29	45	33
Innerwear								
Page Industries	(2)	19	22	2	20	32	43	21
QSR								
Jubilant Food.	(10)	(2)	1	1	1	11	20	19
Devyani International	(4)	(16)	15	29	25	50	16	1
Westlife Foodworld	1	(13)	(16)	(24)	(21)	(5)	3	7
Sapphire Foods	12	4	5	2	(3)	10	3	(5)
Restaurant Brands (India)	51	48	30	27	10	12	41	25
Barbeque Nation	(24)	7	37	9	3	(7)	(3)	6
Jewelry								
Titan	13	16	9	11	8	23	29	28
Kalyan	18	13	15	16	26	33	35	24
Senco	21	11	31	62	107	(41)	45	26
PN Gadgil				44	59	33	6	19

Exhibit 8: APAT growth trends of the coverage universe

Company names	APAT growth (%)							
	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26E
Staples								
Britannia	20	0	-4	16	-9	4	4	4
Colgate	22	36	20	26	5	-2	-7	-3
Dabur	7	8	11	8	-17	2	-8	-2
Emami	12	11	13	21	19	6	9	-8
Godrej Consumer	17	6	23	24	12	-14	-25	10
HUL	-1	-2	-2	2	-2	3	3	-2
ITC	6	7	0	0	2	-11	-1	2
Jyothy	78	35	32	17	1	-4	3	-1
LT Foods	79	59	16	11	-7	-5	8	12
Marico	17	17	5	9	11	4	8	9
Nestle	21	24	22	6	-3	-12	-4	0
P&G Hygiene	36	10	72	-39	1	17	-16	63
Tata consumer	43	19	38	-5	10	-18	-18	9
Varun Beverages	32	77	25	26	24	40	35	4
Paints & Adhesives								
Asian Paints	53	34	-1	-25	-29	-24	-31	-5
Indigo Paints	22	42	10	-16	-11	-3	6	10
Pidilite	35	67	30	21	19	8	20	10
Liquor								
United Breweries	-20	275	731	27	23	-25	20	21
United Spirits	21	61	10	25	5	21	62	-4
Radico Khaitan	19	29	52	21	33	30	60	44
Innerwear								
Page Industries	(7)	23	38	4	29	34	52	22
QSR								
Jubilant Food.	NM	NM	NM	NM	NM	NM	NM	NM
Devyani International	NM	NM	NM	NM	NM	NM	NM	NM
Westlife Foodworld	NM	NM	NM	NM	NM	NM	NM	NM
Sapphire Foods	NM	NM	NM	NM	NM	NM	NM	NM
Restaurant Brands	NM	NM	NM	NM	NM	NM	NM	NM
Barbeque Nation	NM	NM	NM	NM	NM	NM	NM	NM
Jewelry								
Titan	10	15	5	-5	2	18	13	36
Kalyan	27	21	96	23	35	44	36	31
Senco	36	6	24	85	189	-50	94	35
PN Gadgil				59	141	49	13	28

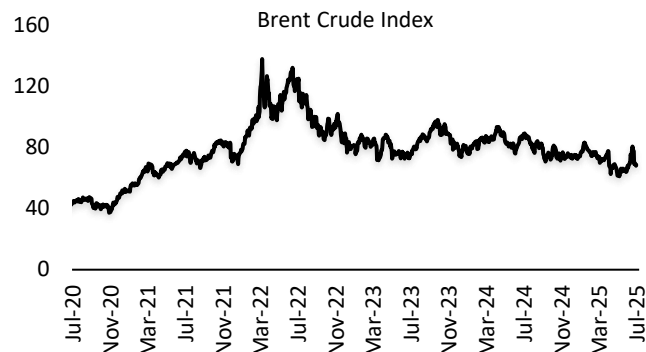
Exhibit 9: Gross and EBITDA margin expansion in 1QFY26E (%)

Companies	Gross Margin	YoY (bp)	QoQ (bp)	EBITDA Margin	YoY (bp)	QoQ (bp)
Staples						
Britannia	40.8%	-261	70	17.3%	-43	-87
Colgate	71.0%	35	39	32.6%	-136	-145
Dabur	47.2%	-59	52	19.1%	-46	402
Emami	67.2%	-47	130	22.4%	-145	-34
Godrej Consumer	52.5%	-335	0	20.5%	-129	-60
HUL	50.6%	-136	-75	22.4%	-139	-65
ITC	58.7%	-184	-7	34.9%	-162	20
Jyothy	50.0%	-129	81	17.6%	-38	83
LT Foods	32.0%	-96	-374	11.9%	27	31
Marico	48.7%	-355	13	21.2%	-249	442
Nestle	57.0%	-65	83	23.3%	-6	-238
P&G Hygiene	61.9%	272	170	18.2%	414	-291
Tata consumer	41.9%	-298	2	13.0%	-236	-50
Varun Beverages	55.0%	31	43	27.3%	-39	457
Paints & Adhesives						
Asian Paints	43.8%	127	-13	18.5%	-38	132
Indigo Paints	46.8%	23	0	15.4%	19	-713
Pidilite	55.0%	120	-4	23.5%	-40	339
Liquor						
United Breweries	43.7%	66	160	12.1%	59	408
United Spirits	44.5%	3	3	16.8%	-272	-39
Radico Khaitan	43.5%	197	3	14.3%	119	68
Innerwear						
Page Industries	57.0%	285	-391	20.5%	145	-92
QSR						
Barbeque Nation	68.5%	43	-2	17.8%	115	-40
Devyani intl.	69.5%	35	100	17.0%	-128	43
Jubilant Food.	74.7%	-140	18	19.4%	6	13
Restaurant Brands	65.5%	100	22	11.6%	142	-61
Sapphire Foods	68.3%	-26	18	15.1%	-219	17
Westlife Foodworld	70.3%	-29	31	12.8%	-14	-33
Jewelry						
Kalyan	13.4%	-95	-37	6.6%	-23	10
PN Gadgil	10.0%	169	-202	4.4%	54	-152
Senco	16.8%	-49	1	7.6%	-15	-162
Titan	23.5%	141	70	10.2%	77	-14

Exhibit 10: Trend in commodity prices

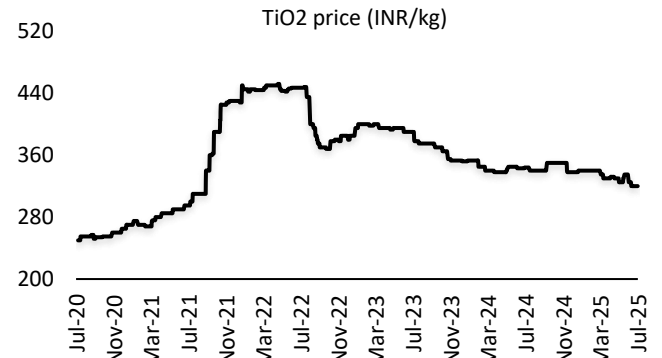
Commodity	Unit	Companies	CMP	Average prices of commodities						Change in prices	
				4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	YoY (%)	QoQ (%)
Non- Agri Commodity											
Brent Crude	\$/barrel	Paints, PIDI,	69	83	85	80	75	76	68	-20%	-10%
Titanium Dioxide	INR/kg	GCPL, JYL	320	345	342	343	344	337	327	-4%	-3%
Titanium Dioxide China	CNY/MT	Paints	14,140	16,730	16,742	15,771	15,180	15,099	14,976	-11%	-1%
VAM China	USD/MT	Paints	779	994	813	778	783	809	801	-1%	-1%
Soda Ash	INR/50kg	PIDI, Paints	1,600	1,788	1,813	1,832	1,803	1,848	1,600	-12%	-13%
Glass	India WPI Index	HUL, GCPL,	175	176	175	174	173	174	175	0%	0%
Gold	MCX Gold (INR/10gm)	UNSP, UBBL	96,900	63,177	71,749	71,543	76,403	83,375	94,876	32%	14%
HDPE	INR/10kg	Jewelry	930	1,045	1,035	1,026	964	942	928	-10%	-1%
Agri Commodity											
Wheat	INR/quintal	ITC, NESTLE,	2,631	2,559	2,525	2,743	2,949	2,947	2,630	4%	-11%
Sugar	INR/quintal	HUL, ITC, NESTLE, DABUR, BRIT	4,010	3,831	3,933	3,901	3,874	4,074	4,088	4%	0%
Mentha	INR/KG	HMN, HUL, CLGT, DABUR	980	1,020	1,006	1,012	1,002	1,021	1,007	0%	-1%
Cashew	India WPI Index	BRIT	171	146	154	164	170	168	172	11%	2%
Maize	INR/quintel	HUL, CLGT, DABUR	2,335	2,233	2,201	2,527	2,437	2,377	2,262	3%	-5%
Molasses	India WPI Index	UNSP	161	155	157	157	158	158	160	2%	1%
Barley	INR/quintel	UBBL, NESTLE	2,210	2,027	2,064	2,221	2,396	2,391	2,276	10%	-5%
Tea	India WPI Tea	HUL	192	139	187	208	210	173	197	5%	14%
Cocoa beans	USD/MT	NESTLE	9,000	6,128	9,467	8,555	8,709	9,668	9,359	-1%	-3%
Coffee	India WPI Coffee	NESTLE, HUL	237	216	221	232	231	230	234	6%	2%
Tobacco	India WPI Tobacco	ITC	114	114	114	114	114	114	114	0%	0%
Milk	India WPI Milk	NESTLE, BRIT	189	183	185	186	185	187	188	1%	0%
SMP	US\$/CWT	NESTLE, BRIT	126	133	134	133	138	129	126	-6%	-3%
Copra	Copra WPI Index	MRCO, DABUR	270	156	155	175	215	234	264	70%	13%
Cotton	USD/LB	PAGE	68	78	75	72	72	69	68	-9%	-1%
Yarn	NNS Cotton Yarn Hosiery Yarn Carded 40 price INR/kg India	PAGE	258	263	262	258	255	255	256	-2%	0%
Oil Commodities											
Palm Fatty acid	USD/MT	HUL, GCPL, JYL	880	745	810	844	961	1,038	902	11%	-13%
Malaysia Palm oil	MYR/MT	HUL, GCPL, JYL	3,950	4,006	4,037	4,000	4,840	4,712	4,071	1%	-14%
Coconut Oil	INR/quintel	MRCO, DABUR	28,750	11,187	12,796	13,617	18,781	18,460	23,131	81%	25%
Rice Bran oil	Rice Bran oil Index	MRCO	177	137	147	155	179	177	178	21%	0%
Sunflower oil	INR/MT	MRCO	1,26,000	86,900	89,133	96,071	1,28,397	1,32,328	1,30,672	47%	-1%

Exhibit 11: Crude oil prices down 20% YoY/10% QoQ in Jun'25



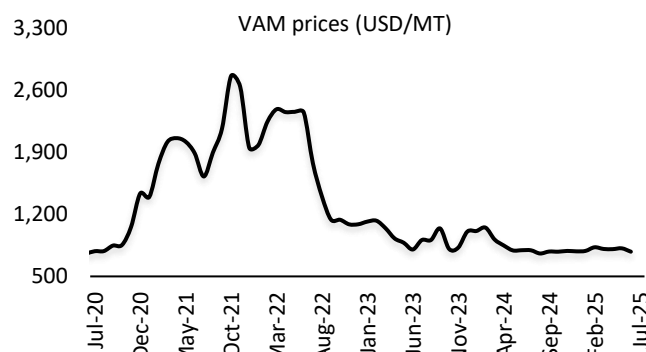
Source: Bloomberg, MOFSL

Exhibit 12: TiO2 prices down 4% YoY/3% QoQ in Jun'25



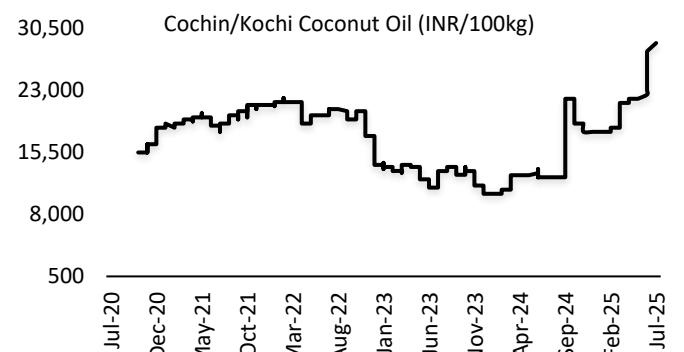
Source: Bloomberg, MOFSL

Exhibit 13: VAM prices down 1% both YoY/QoQ in Jun'25



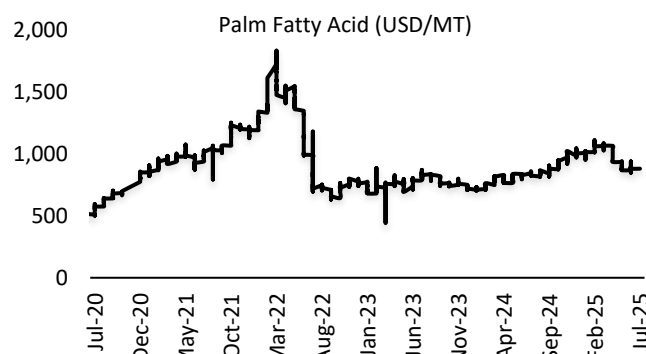
Source: Bloomberg, MOFSL

Exhibit 14: Coconut oil prices up 80% YoY/25% QoQ in Jun'25



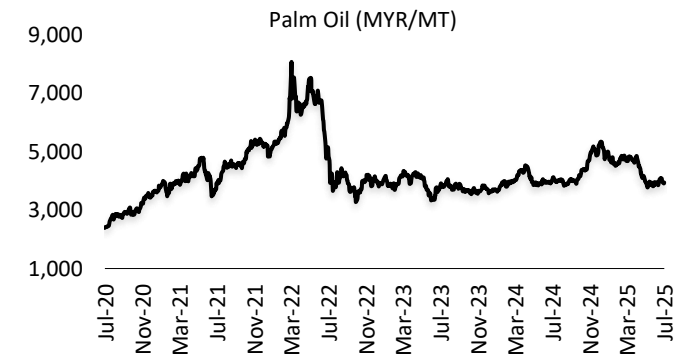
Source: Company, MOFSL

Exhibit 15: PFAD prices up 11% YoY but down 13% QoQ in Jun'25



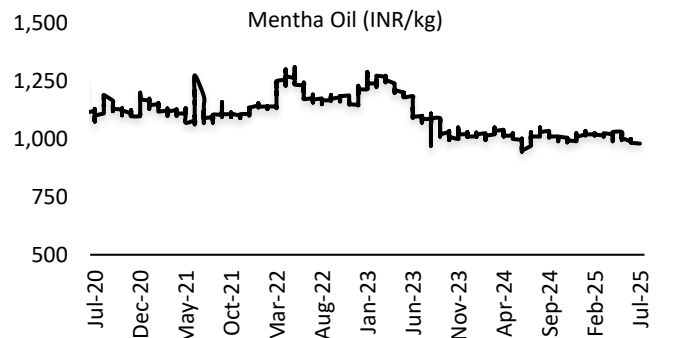
Source: Bloomberg, MOFSL

Exhibit 16: Malaysian palm oil prices rose 1% YoY while declined 14% QoQ in Jun'25



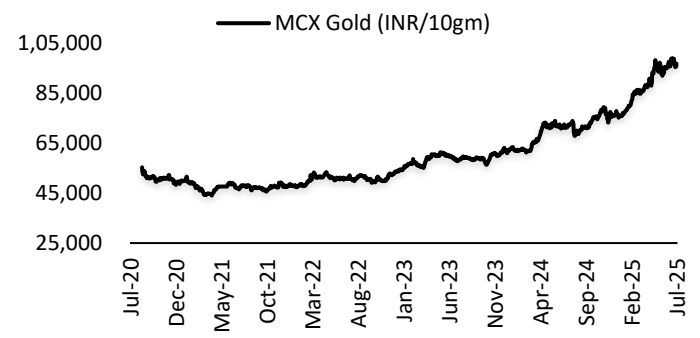
Source: Bloomberg, MOFSL

Exhibit 17: Mentha oil prices were flat YoY while down 1% QoQ in Mar'25



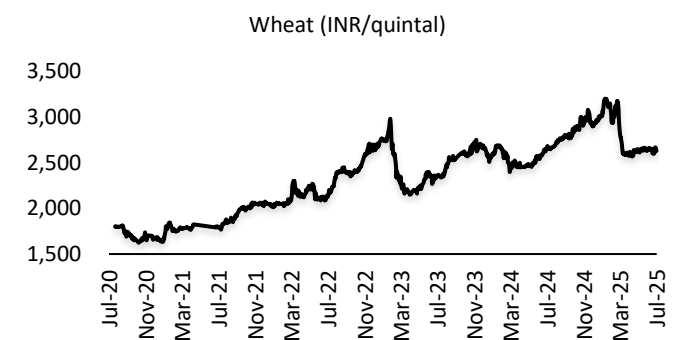
Source: Bloomberg, MOFSL

Exhibit 18: Average gold prices rose 32% YoY and 14% QoQ in Jun'25



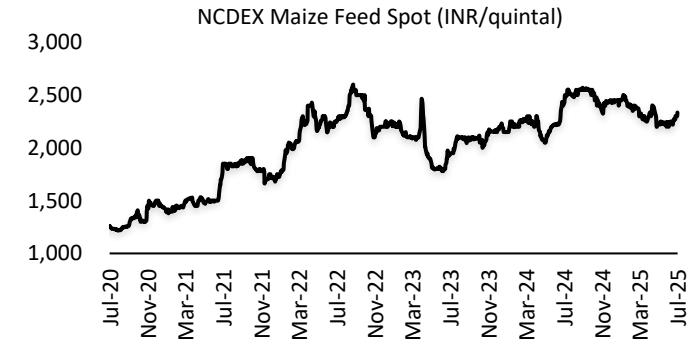
Source: Bloomberg, MOFSL

Exhibit 19: Wheat prices rose 4% YoY but dipped 11% QoQ in Jun'25



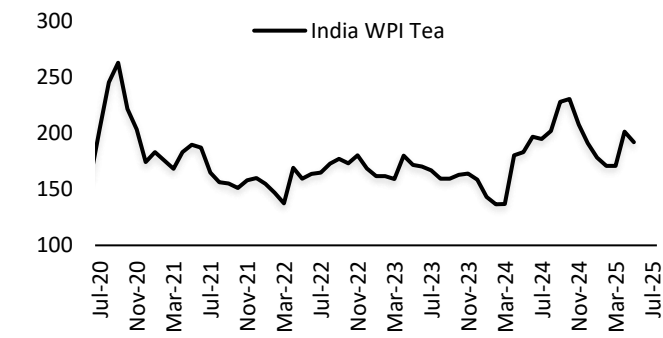
Source: Bloomberg, MOFSL

Exhibit 20: Maize prices rose 3% YoY while declined 5% QoQ in Jun'25



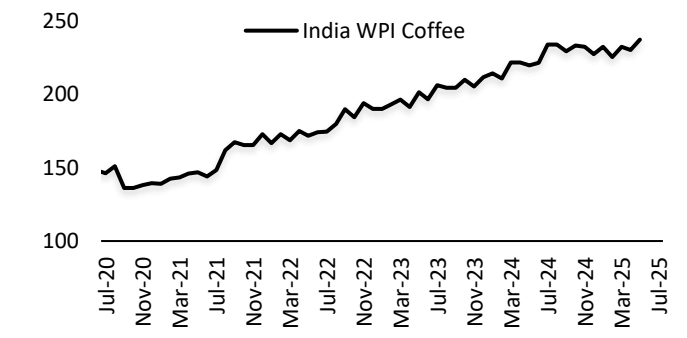
Source: Bloomberg, MOFSL

Exhibit 21: India WPI tea prices rose 5% YoY and 14% QoQ in Jun'25



Source: Bloomberg, MOFSL

Exhibit 22: India coffee prices rose 6% YoY and 2% QoQ in Jun'25



Source: Bloomberg, MOFSL

Exhibit 23: Change in our EPS estimates (%)

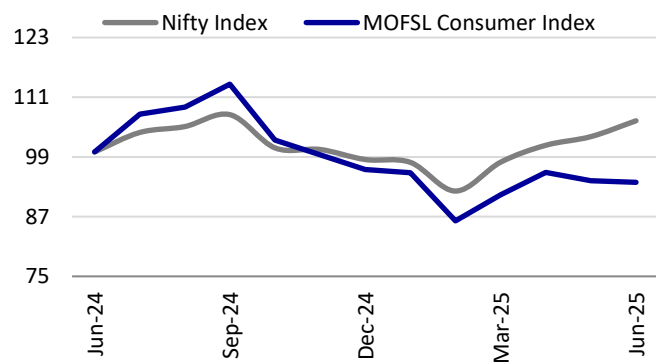
Change in estimates	New		Old		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Staples						
Britannia	102.8	117.8	102.9	116.3	0.0%	1.3%
Colgate	55.6	60.0	56.5	60.7	-1.6%	-1.1%
Dabur	11.0	12.3	11.3	12.4	-2.8%	-1.0%
Emami	21.1	23.0	21.7	23.4	-3.0%	-1.8%
GCPL	23.0	26.9	23.7	27.1	-2.8%	-0.7%
HUL	46.6	51.5	47.8	52.3	-2.4%	-1.6%
ITC	17.0	18.4	17.2	18.6	-0.9%	-1.1%
Jyothy Lab	10.9	12.1	11.1	12.2	-1.1%	-0.4%
LT Foods	23.4	27.9	22.6	28.1	3.7%	-0.7%
Marico	14.4	15.7	14.0	15.4	2.5%	1.7%
Nestle	35.1	39.4	36.0	40.0	-2.4%	-1.6%
P&G	268.6	294.1	273.0	300.0	-1.6%	-2.0%
Tata Consumer	15.3	19.2	17.0	20.0	-9.9%	-4.1%
Varun Beverages	11.5	13.7	12.2	14.6	-5.2%	-6.2%
Paints & Adhesives						
Asian Paints	45.6	54.5	47.7	56.7	-4.3%	-3.8%
Indigo Paints	34.0	39.5	32.9	38.5	3.2%	2.4%
Pidilite	46.9	53.8	46.5	53.4	0.7%	0.7%
Liquor						
UBBL	25.4	34.8	27.2	36.5	-6.4%	-4.8%
UNSP	21.7	24.4	22.4	25.0	-3.1%	-2.6%
RDCK	36.6	47.2	36.7	46.3	-0.1%	2.0%
Innerwear						
Page Industries	749.1	877.2	749.1	877.2	0.0%	0.0%
QSR*						
Barbeque Nation	2.3	2.6	2.4	2.7	-4.3%	-4.7%
Devyani	9.4	11.6	10.5	12.5	-10.7%	-7.2%
Jubilant	18.5	22.4	18.8	22.3	-1.6%	0.3%
RBA	4.1	5.7	4.1	5.7	0.0%	0.0%
Sapphire	5.4	6.5	5.8	6.9	-6.7%	-6.0%
Westlife	3.7	4.5	4.1	5.0	-11.2%	-11.1%
Jewelry						
Kalyan	10.7	13.0	10.7	13.0	0.0%	0.0%
PN Gadgil	21.4	27.5	21.3	27.4	0.5%	0.4%
Senco	14.2	16.7	14.2	16.7	0.0%	0.0%
Titan	53.5	63.3	53.5	63.3	0.0%	0.0%

*For QSR, this represents a change in our EBITDA estimates

Exhibit 24: Comparative valuation

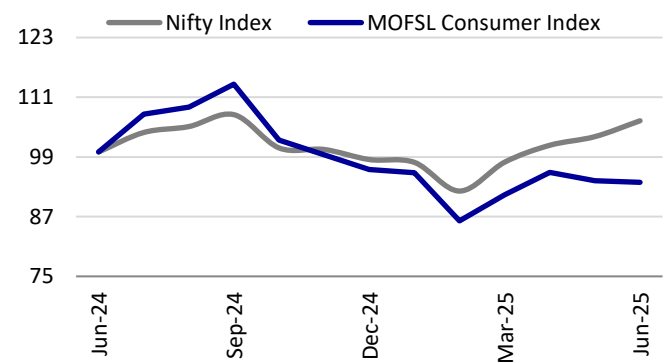
Company	CMP (INR)	TP INR	Reco	EPS (INR)			EPS Growth YoY (%)			P/E (x)			EV/EBITDA (x)			RoE (%)	Div. (%)
				FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY25
Staples																	
BRIT	5,745	5,900	Neutral	91.9	102.8	117.8	4	12	15	63	56	49	43	39	34	53.4	1.3
CLGT	2,409	2,650	Neutral	51.4	55.6	60.0	4	8	8	48	44	41	33	30	28	79.0	2.1
DABUR	482	575	Buy	10.2	11.0	12.3	(4)	8	12	49	45	40	34	31	27	17.4	1.6
HMN	565	700	Buy	20.3	21.1	23.0	12	4	9	28	27	24	24	22	20	34.4	1.8
GCPL	1,168	1,450	Buy	18.5	23.0	26.9	(4)	24	17	64	52	44	40	35	31	15.4	1.7
HUVR	2,296	2,850	Buy	44.3	46.6	51.5	1	5	10	53	50	45	36	34	31	20.7	2.3
ITC	415	515	Buy	16.0	17.0	18.4	(3)	7	8	26	24	22	19	18	16	27.7	3.5
JYL	347	375	Neutral	10.2	10.9	12.1	4	7	11	34	31	28	24	22	20	19.4	1.0
L T Foods	476	600	Buy	17.4	23.4	27.9	2	34	19	28	21	17	17	13	11	16.8	0.5
MRCO	717	825	Buy	12.4	14.4	15.7	8	16	9	59	51	47	42	37	33	40.9	1.6
NESTLE	2,410	2,400	Neutral	32.0	35.1	39.4	(22)	10	12	75	68	61	48	44	39	83.9	1.1
PG	13,322	15,000	Neutral	241.3	268.6	294.1	10	11	9	55	50	45	40	36	33	91.9	1.4
Tata Consumer	1,095	1,300	Buy	14.0	15.3	19.2	(2)	10	25	78	71	57	43	41	34	7.7	0.6
Varun beverages	452	620	Buy	7.7	9.5	11.5	26	24	22	59	48	40	32	28	24	22.0	0.5
Paints																	
APNT	2,369	2,500	Neutral	42.5	45.6	54.5	(27)	7	19	57	53	44	37	34	30	21.4	1.8
INDIGOPN	1,181	1,350	Buy	29.8	34.0	39.5	(4)	14	16	40	35	30	23	20	17	14.7	0.3
PIDI	3,045	3,000	Neutral	41.3	46.9	53.8	17	13	15	75	66	57	50	45	39	23.1	0.6
Liquor																	
UNSP	1,401	1,500	Neutral	19.8	21.7	24.4	26	10	12	70	64	57	48	44	39	18.2	0.6
RDCK	2,570	3,000	Buy	25.8	36.6	47.2	35	42	29	102	72	56	52	41	33	12.8	0.2
UBBL	1,950	2,000	Neutral	17.7	25.4	34.8	14	44	37	112	78	57	61	45	36	10.9	0.3
Innerwear																	
PAGE	48,226	57,500	Buy	652.9	749.1	877.2	28	15	17	75	65	55	50	44	37	51.8	1.8
QSR																	
BBQ	315	325	Neutral	-6.9	-5.5	-4.8	Loss	Loss	Loss	NM	NM	NM	6	6	5	-7.5	0.0
DEVYANI	169	210	Buy	0.2	0.5	1.3	(76)	158	170	926	358	133	28	25	21	2.1	0.0
JUBI	709	750	Neutral	3.6	6.1	9.2	(10)	72	50	199	116	77	32	27	23	11.2	0.2
RBA	83	135	Buy	-4.0	-2.4	-0.4	Loss	Loss	Loss	NM	NM	NM	17	12	8	-30.6	0.0
SAPPHIRE	327	375	Buy	1.0	1.6	3.2	(39)	63	96	339	208	106	22	19	15	2.3	0.0
WESTLIFE	769	775	Neutral	0.8	2.2	4.9	(82)	182	122	966	343	155	41	36	30	2.0	0.0
Jewelry																	
KALYANKJ	570	660	Buy	7.8	10.7	13.0	35	37	21	75	54	45	37	29	25	17.9	0.3
PNG	605	825	Buy	17.4	21.4	27.5	32	23	29	34	28	22	25	19	15	22.6	0.0
SESCO	341	400	Neutral	12.4	14.2	16.7	6	15	18	28	25	21	16	13	13	12.1	0.3
TTAN	3700	4,250	Buy	42.3	53.5	63.3	8	27	18	87	69	58	54	44	38	35.8	0.3

Exhibit 25: Relative performance – three months (%)



Source: MOFSL, Company

Exhibit 26: One-year relative performance (%)



Source: MOFSL, Company

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL Coverage Universe. Highlighted columns indicate the quarter/financial year under review.

Asian Paints					Neutral				
CMP: INR2,369 TP: INR2,500 (+6%)					EPS CHANGE (%): FY26 FY27: -4.3 -3.8				
<ul style="list-style-type: none"> We model 1% revenue growth in 1Q, as no meaningful improvement has been observed in the demand environment, particularly in urban markets. We expect GP margin expansion of 130bp YoY to 43.8% due to deflation in RM prices. EBITDA margin is expected to contract 40bp YoY to 18.5% due to negative operating leverage and high operating costs. 					<ul style="list-style-type: none"> Volume growth is expected to be 7% in domestic decorative paints. The gap in volume and value growth is due to downtrading. We expect this volume-value gap to narrow going forward as demand improves. The price hike taken by company in FY25 also helps in realization growth. 				

Quarterly Performance (Consol.)										(INR m)
Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Est. Dom. Deco. Vol. growth (%)	7.0	-0.5	1.6	1.8	7.0	6.0	7.0	8.0	2.5	7.0
Net Sales	89,697	80,275	85,494	83,589	90,594	84,289	92,334	91,681	3,39,056	3,58,898
Change (%)	-2.3	-5.3	-6.1	-4.3	1.0	5.0	8.0	9.7	-4.5	5.9
Gross Profit	38,152	32,732	36,291	36,724	39,680	35,654	39,519	39,955	1,43,898	1,54,808
Gross Margin (%)	42.5	40.8	42.4	43.9	43.8	42.3	42.8	43.6	42.4	43.1
EBITDA	16,938	12,395	16,367	14,362	16,759	14,097	18,201	16,078	60,062	65,136
Margin (%)	18.9	15.4	19.1	17.2	18.5	16.7	19.7	17.5	17.7	18.1
Change (%)	-20.2	-27.8	-20.4	-15.1	-1.1	13.7	11.2	11.9	-20.8	8.4
Interest	554	630	558	528	525	525	500	494	2,270	2,044
Depreciation	2,277	2,420	2,556	3,011	3,000	3,000	3,000	3,038	10,263	12,038
Other Income	1,562	1,736	1,430	999	1,600	1,800	1,800	1,270	5,726	6,470
PBT	15,669	11,081	14,683	11,822	14,834	12,372	16,501	13,817	53,255	57,525
Tax	4,168	2,654	3,897	3,214	3,783	3,155	4,208	3,523	13,934	14,669
Effective Tax Rate (%)	26.6	23.9	26.5	27.2	25.5	25.5	25.5	25.5	26.2	25.5
Adjusted PAT	11,868	8,738	11,284	8,838	11,309	9,404	12,592	10,460	40,728	43,765
Change (%)	-24.6	-29.1	-23.5	-30.7	-4.7	7.6	11.6	18.3	-26.7	7.5

E: MOFSL Estimates

Britannia Industries					Neutral				
CMP: INR5,745 TP: INR 5,900 (+3%)					EPS CHANGE (%): FY26 FY27: - +1.3				
<ul style="list-style-type: none"> We expect 8.5% revenue growth YoY, with volume growth of 3% and the remainder driven by price hikes in 1QFY26. BRIT continues to focus on innovation and distribution channels to gain market share. 					<ul style="list-style-type: none"> GP margin is expected to contract 260bp YoY to 40.8%, while EBITDA margin is expected to contract 43bp YoY to 17.3%, primarily due to a rise in agri commodity prices. 				

Consol. Quarterly Performance										(INR m)
Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Base business volume growth (%)	8.0	8.0	6.0	3.0	3.0	4.0	5.0	6.0	6.3	4.5
Total Revenue	42,503	46,676	45,926	44,322	45,833	50,785	49,908	49,355	1,79,427	1,95,880
YoY change (%)	6.0	5.3	7.9	8.9	7.8	8.8	8.7	11.4	7.0	9.2
Gross Profit	18,449	19,381	17,784	17,773	18,700	20,974	20,712	20,317	73,386	80,703
Margins (%)	43.4	41.5	38.7	40.1	40.8	41.3	41.5	41.2	40.9	41.2
EBITDA	7,537	7,834	8,449	8,052	7,929	8,532	9,333	9,330	31,872	35,124
Margins (%)	17.7	16.8	18.4	18.2	17.3	16.8	18.7	18.9	17.8	17.9
YoY growth (%)	9.4	-10.2	2.9	2.3	5.2	8.9	10.5	15.9	0.5	10.2
Depreciation	739	761	824	810	828	837	865	886	3,133	3,416
Interest	290	346	446	307	300	300	300	287	1,388	1,187
Other Income	556	460	625	630	625	625	650	685	2,271	2,585
PBT	7,064	7,187	7,804	7,566	7,426	8,020	8,818	8,841	29,621	33,105
Tax	1,762	1,836	1,961	1,928	1,871	2,021	2,222	2,218	7,487	8,333
Rate (%)	24.9	25.5	25.1	25.5	25.2	25.2	25.2	25.1	25.3	25.2
Adjusted PAT	5,295	5,317	5,823	5,591	5,532	5,972	6,567	6,594	22,027	24,665
YoY change (%)	16.3	-9.3	4.3	4.2	4.5	12.3	12.8	17.9	3.1	12.0

E: MOFSL Estimates

Colgate

Neutral

CMP: INR2,409 | TP: INR2,650 (+10%)

EPS CHANGE (%): FY26|FY27: -1.6|-1.1

- Demand was subdued for oral care. We expect 1.5% revenue growth, led by 1.5% volume growth in toothpaste in 1QFY26.
- GP margin is expected to expand 35bp YoY to 71%, while EBITDA margin is expected to contract 140bp YoY to 32.6%, given higher ad spends and operating activities.
- The company is focused on expanding distribution reach and improving product penetration in the rural market through LUPs.
- Promotions in the GT channel and the quantum of discounting in alternate channels will be the key monitorables.

Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Volume Gr %	7.0	8.0	4.0	0.0	1.5	2.5	5.0	7.0	4.8	4.0
Net Sales (inclgd. OOI)	14,967	16,191	14,618	14,625	15,190	17,167	15,795	16,014	60,402	64,165
YoY change (%)	13.1	10.1	4.7	-1.8	1.5	6.0	8.0	9.5	6.3	6.2
Gross Profit	10,574	11,098	10,220	10,327	10,785	11,845	11,135	11,471	42,219	45,237
Gross margin (%)	70.6	68.5	69.9	70.6	71.0	69.0	70.5	71.6	69.9	70.5
EBITDA	5,083	4,974	4,544	4,980	4,952	5,373	5,054	5,795	19,581	21,175
Margins (%)	34.0	30.7	31.1	34.1	32.6	31.3	32.0	36.2	32.4	33.0
YoY growth (%)	21.6	3.2	-3.0	-6.4	-2.6	8.0	11.2	16.4	3.0	8.1
Depreciation	415	417	411	384	440	444	448	452	1,627	1,785
Interest	10	12	11	11	11	13	12	12	43	48
Financial other Income	234	195	204	191	218	219	220	221	824	878
PBT	4,893	4,740	4,325	4,776	4,719	5,135	4,814	5,553	18,734	20,221
Tax	1,253	1,354	1,097	1,226	1,189	1,294	1,213	1,393	4,930	5,090
Rate (%)	25.6	28.6	25.4	25.7	25.2	25.2	25.2	25.1	26.3	25.2
Adj PAT	3,640	3,555	3,228	3,550	3,530	3,841	3,601	4,160	13,973	15,131
YoY change (%)	26.2	4.6	-2.2	-6.5	-3.0	8.0	11.6	17.2	4.4	8.3
Reported PAT	3,640	3,951	3,228	3,550	3,530	3,841	3,601	4,160	14,368	15,131

E: MOFSL Estimates

Dabur

Buy

CMP: INR482 | TP: INR575 (+19%)

EPS CHANGE (%): FY26|FY27: -2.8|-1.0

- We expect ~2% revenue growth, led by the 3% volume growth in the India business. We expect some sequential improvement in demand.
- The Beverage portfolio was impacted during the quarter due to unseasonal rains and a short summer. However, Activ Juices and Activ Coconut water saw good momentum, with growth expected in mid-teens.
- Home and Personal Care (HPC) division is expected to perform well, driven by the oral, home, and skin care categories. Within healthcare, brands such as Dabur Honey, Hajmola, Dabur Honitus, and Dabur Health Juices are expected to post robust double-digit growth.
- International business is expected to post double-digit constant currency growth.

Quarterly Performance (Consolidated)

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Domestic FMCG vol. growth (%)	5.2	-7.0	1.2	-5.0	3.0	8.0	8.0	9.0	-1.4	7.0
Net sales	33,491	30,286	33,553	28,301	34,302	32,744	36,682	30,812	1,25,631	1,34,540
YoY change (%)	7.0	-5.5	3.1	0.6	2.4	8.1	9.3	8.9	1.3	7.1
Gross profit	16,005	14,943	16,124	13,211	16,191	16,045	17,974	14,908	60,282	65,117
Margin (%)	47.8	49.3	48.1	46.7	47.2	49.0	49.0	48.4	48.0	48.4
EBITDA	6,550	5,526	6,819	4,269	6,552	6,221	7,483	4,835	23,163	25,092
Margins (%)	19.6	18.2	20.3	15.1	19.1	19.0	20.4	15.7	18.4	18.7
YoY growth (%)	8.3	-16.4	2.1	-8.6	0.0	12.6	9.7	13.3	-3.5	8.3
Depreciation	1,091	1,110	1,086	1,169	1,189	1,130	1,194	1,148	4,456	4,661
Interest	327	474	442	393	375	375	350	325	1,635	1,425
Other income	1,294	1,515	1,280	1,412	1,398	1,439	1,472	1,519	5,501	5,828
PBT	6,427	5,457	6,571	4,119	6,385	6,156	7,412	4,881	22,573	24,834
Tax	1,481	1,284	1,418	992	1,564	1,508	1,816	1,196	5,175	6,084
Rate (%)	23.0	23.5	21.6	24.1	24.5	24.5	24.5	24.5	22.9	24.5
Adjusted PAT	5,084	4,333	5,306	3,284	4,983	4,810	5,758	3,857	18,006	19,407
YoY change (%)	7.7	-17.2	1.6	-8.2	-2.0	11.0	8.5	17.5	-4.0	7.8

E: MOFSL Estimates

Emami

Buy

CMP: INR565 | TP: INR700 (+24%)

EPS CHANGE (%): FY26|FY27: -3.0|-1.8

- Demand in 1Q was adversely impacted by the onset of monsoon. We model 3% revenue decline, led by a 3% domestic volume decline.
- The company is focusing on LUPs targeting middle-income consumers, which contribute ~20% of its revenue.
- GM is expected to remain steady (-50bp YoY) despite macro inflation. EBITDA is likely to witness a decline of 145bp YoY on negative operating leverage.
- Performance of D2C brands like The Man Company and Brillare will be a key monitorable.

Consol. Quarterly performance

(INR m)

Y/E MARCH	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Domestic volume growth (%)	8.7	1.7	4.0	5.0	-3.0	5.0	5.5	5.0	4.9	3.1
Net Sales	9,061	8,906	10,495	9,631	8,752	9,567	11,410	10,357	38,092	40,087
YoY change (%)	9.7	3.0	5.3	8.1	-3.4	7.4	8.7	7.5	6.5	5.2
Gross Profit	6,131	6,296	7,377	6,346	5,881	6,822	8,067	6,890	26,150	27,660
Gross margin (%)	67.7	70.7	70.3	65.9	67.2	71.3	70.7	66.5	68.6	69.0
EBITDA	2,165	2,505	3,387	2,194	1,965	2,754	3,747	2,367	10,251	10,832
Margins (%)	23.9	28.1	32.3	22.8	22.4	28.8	32.8	22.9	26.9	27.0
YoY change	13.9	7.2	7.6	4.0	-9.3	9.9	10.6	7.9	8.0	5.7
Depreciation	444	447	456	435	445	445	445	473	1,782	1,808
Interest	21	23	22	28	23	23	23	23	93	90
Other Income	105	216	149	212	135	220	160	188	681	703
PBT	1,805	2,251	3,059	1,943	1,632	2,506	3,439	2,059	9,057	9,637
Tax	278	94	224	315	245	125	413	374	911	1,156
Rate (%)	15.4	4.2	7.3	16.2	15.0	5.0	12.0	18.1	10.1	12.0
Adj. PAT	1,702	2,333	3,006	1,812	1,560	2,577	3,206	1,848	8,853	9,197
YoY change (%)	20.5	18.6	6.3	8.6	-8.4	10.5	6.7	2.0	12.4	3.9

E: MOFSL Estimates

Godrej Consumer

Buy

CMP: INR1,168 | TP: INR1,450 (+24%)

EPS CHANGE (%): FY26|FY27: -2.8|-0.7

- Domestic demand continued to mirror 4Q trends, with rural outpacing urban demand. We model 8% standalone revenue growth and 5% volume growth. Price hikes likely persisted in 1Q, especially in soaps.
- High inflation continues to put pressure on margins. We model a 330bp YoY contraction in the GP margin and a 130bp YoY contraction in EBITDA margins. The benefit of lower palm oil prices will materialize from 2QFY26 onwards.
- The company highlighted in its pre-quarter update that the Personal Care segment is expected to deliver low-single digit value growth, impacted by soaps. The Home Care business is likely to deliver double-digit value growth and UVG.
- The Indonesia business expected to deliver flattish UVG while GAUM business is likely to deliver strong double-digit value growth and UVG.

Quarterly Performance (Consolidated)

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Domestic volume Growth (%)	8	7	0	4	5	7	6	8	5	7
Net Sales (including OOI)	33,316	36,663	37,684	35,980	36,759	40,381	42,135	39,989	1,43,643	1,59,264
YoY change (%)	-3.4	1.8	3.0	6.3	10.3	10.1	11.8	11.1	1.9	10.9
Gross Profit	18,608	20,381	20,402	18,890	19,301	21,789	23,302	22,289	78,282	86,680
Margin (%)	55.9	55.6	54.1	52.5	52.5	54.0	55.3	55.7	54.5	54.4
EBITDA	7,262	7,617	7,559	7,592	7,538	8,257	9,178	9,186	30,031	34,158
Margins (%)	21.8	20.8	20.1	21.1	20.5	20.4	21.8	23.0	20.9	21.4
YoY growth (%)	6.5	5.3	-16.4	-0.2	3.8	8.4	21.4	21.0	-2.2	13.7
Depreciation	495	501	619	726	700	725	725	746	2,340	2,896
Interest	878	831	897	896	850	825	825	817	3,501	3,317
Other Income	751	843	831	737	817	903	873	821	3,161	3,414
PBT	6,623	7,107	6,874	6,708	6,805	7,610	8,500	8,445	27,312	31,360
Tax	1,933	2,154	1,834	2,275	1,701	1,902	2,125	2,111	8,196	7,840
Rate (%)	29.2	30.3	26.7	33.9	25.0	25.0	25.0	25.0	30.0	25.0
Adj PAT	4,649	4,953	5,025	4,321	5,104	5,707	6,375	6,334	18,948	23,520
YoY change (%)	23.6	12.2	-14.3	-24.8	9.8	15.2	26.9	46.6	-4.2	24.1

E: MOFSL Estimate

Hindustan Unilever

Buy

CMP: INR2,296 | TP: INR2,850 (+24%)

EPS CHANGE (%): FY26|FY27: -2.4|-1.6

- Demand trends remained consistent QoQ with muted growth, and rural areas continued to outperform urban areas. We expect a 4.6% revenue growth in 1QFY26.
- GP margins are expected to face some pressure (contracting 140bp YoY to 50.6%) due to an increase in consumer offers and other initiatives undertaken to drive volume growth. The company revised its EBITDA margin guidance last quarter to 22-23%, down from the earlier guidance of the lower end of 23-24%.
- HUL's growth was impacted by several factors, including adverse mix dynamics, input cost inflation, and subdued seasonal demand, collectively moderating the overall growth trajectory.
- We model a 3% volume growth. The company has implemented calibrated price increases in Skin Cleansing and Foods, which were partially offset by deflation in the Home Care portfolio.

Quarterly performance (Consolidated)

(INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Domestic volume growth (%)	4.0	3.0	0.0	2.0	3.0	4.5	6.0	7.0	2.0	5.1
Total revenue	157.1	159.3	158.2	156.7	164.2	168.2	169.8	169.1	631.2	671.3
YoY change (%)	1.4	1.9	1.6	3.0	4.5	5.6	7.3	7.9	2.0	6.4
Gross Profit	81.6	82.2	81.2	80.5	83.1	84.9	86.4	86.6	325.4	341.0
Margin %	52.0	51.6	51.3	51.4	50.6	50.5	50.9	51.2	51.6	50.8
EBITDA	37.4	37.9	37.0	36.2	36.9	38.8	39.7	39.9	148.5	155.2
YoY change (%)	2.2	-0.1	0.8	2.4	-1.6	2.3	7.3	10.2	1.3	4.5
Margins (%)	23.8	23.8	23.4	23.1	22.4	23.1	23.4	23.6	23.5	23.1
Depreciation	3.3	3.4	3.4	3.5	3.5	3.5	3.5	3.5	13.6	14.0
Interest	0.9	1.1	1.1	0.8	1.0	1.0	1.1	1.0	4.0	4.0
Other income	2.6	2.2	2.3	3.1	2.4	2.3	2.4	2.4	10.2	9.5
PBT	35.8	35.6	34.7	35.0	34.8	36.6	37.6	37.7	141.2	146.7
Tax	9.2	9.5	9.9	8.9	8.8	9.2	9.5	9.5	37.4	36.9
Rate (%)	25.6	26.6	28.6	25.3	25.2	25.2	25.2	25.1	26.5	25.2
PAT bei	26.5	26.0	26.0	25.7	26.0	27.4	28.1	28.1	104.2	109.6
YoY change (%)	2.5	-2.1	2.9	2.6	-1.7	5.2	7.8	9.6	1.4	5.2

E: MOFSL Estimates

Indigo Paints

Buy

CMP: INR1,181 | TP: INR1,350 (+15%)

EPS CHANGE (%): FY26|FY27: +3.2|+2.4

- We expect 4% revenue growth in 1QFY26 as the demand environment remains subdued.
- Strong competition and pressure on profits are expected in the near future as new competitors enter the market.
- GP margin is expected to expand marginally 20bp YoY to 46.8%. Margins remained stable despite a decline in raw material prices, as increased consumer offerings have offset the input cost benefits.

Consolidated Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	3,110	2,995	3,426	3,876	3,234	3,295	3,872	4,347	13,407	14,747
Change (%)	7.8	7.4	-3.2	0.7	4.0	10.0	13.0	12.2	2.6	10.0
Gross Profit	1,449	1,309	1,597	1,815	1,514	1,450	1,812	2,067	6,170	6,843
Gross Margin (%)	46.6	43.7	46.6	46.8	46.8	44.0	46.8	47.5	46.0	46.4
EBITDA	474	415	572	874	499	465	643	990	2,335	2,596
Margin (%)	15.2	13.9	16.7	22.6	15.4	14.1	16.6	22.8	17.4	17.6
Change (%)	-3.5	-1.5	-8.1	3.3	5.3	11.9	12.4	13.3	-1.9	11.2
Interest	6	7	6	15	8	18	10	9	35	45
Depreciation	152	154	147	132	150	150	150	136	585	586
Other Income	42	51	31	60	45	55	45	53	185	198
PBT	357	306	450	787	386	352	528	899	1,900	2,164
Tax	90	83	92	213	97	89	133	225	478	544
Effective Tax Rate (%)	25.3	27.2	20.4	27.0	25.2	25.2	25.2	25.1	25.2	25.2
Adjusted PAT	262	226	360	569	288	262	394	672	1,418	1,615
Change (%)	-15.6	-10.6	-3.3	6.0	9.8	15.7	9.3	18.1	-3.8	13.9

E: MOFSL Estimates

ITC

Buy

CMP: INR415 | TP: INR515 (+24%)
EPS CHANGE (%): FY26|FY27: -0.9|-1.1

- The cigarette business is expected to show stable volumes and pricing, with the portfolio continuing to grow, aided by improvements in the product mix. We model 5% volume growth in the business in 1QFY26.
- We expect 6% YoY sales growth in the cigarette business and 4% YoY sales growth in the FMCG business.
- We expect a 5% YoY growth in cigarette EBIT, though margins may contract 40bp due to rising leaf tobacco prices. In the FMCG business, we expect a 16% decline in EBIT, with a 170bp margin contraction as price hikes lag RM inflation.
- The paper segment remained weak while agriculture segment performed well during the quarter.

Consol. Quarterly Performance

(INR b)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q*	4Q*	1QE*	2QE*	3QE	4QE		
Est. cigarette vol. gr. (%)	3.0	3.5	6.0	5.0	5.0	5.0	4.0	4.5	4.4	4.5
Net Sales	184.6	207.4	187.9	187.7	194.0	215.3	202.5	202.5	767.5	814.2
YoY change (%)	7.5	16.7	4.3	4.7	5.1	3.8	7.8	7.9	8.3	6.1
Gross Profit	111.7	115.9	108.3	110.3	113.9	125.9	121.5	123.2	446.2	484.5
Margin (%)	60.5	55.9	57.6	58.8	58.7	58.5	60.0	60.8	58.1	59.5
EBITDA	67.5	67.6	63.6	65.2	67.8	69.6	70.2	71.8	263.9	279.4
Growth (%)	1.2	4.8	-2.2	-1.6	0.5	2.9	10.3	10.2	0.5	5.9
Margins (%)	36.6	32.6	33.9	34.7	34.9	32.3	34.7	35.5	34.4	34.3
Depreciation	5.0	5.2	4.2	4.1	4.4	4.4	4.6	4.7	18.5	18.1
Interest	0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.5	0.5
Other Income	6.9	6.2	6.0	6.4	7.2	6.7	6.6	6.8	25.5	27.3
PBT	69.3	68.4	65.3	67.4	70.5	71.7	72.0	73.8	270.4	288.0
Tax	17.6	17.9	17.3	16.8	17.8	18.1	18.2	18.5	69.6	72.5
Rate (%)	25.4	26.2	26.4	24.9	25.2	25.2	25.2	25.1	25.7	25.2
Adj PAT	50.9	49.9	47.3	50.7	52.2	53.1	53.3	54.7	198.9	213.3
YoY change (%)	-0.2	2.0	-11.4	-0.9	2.5	6.3	12.7	7.7	-2.8	7.2

E: MOFSL estimate; *Growth is not comparable as base quarters include hotel business numbers

Jyothy Labs.

Neutral

CMP: INR347 | TP: INR375 (+8%)
EPS CHANGE (%): FY26|FY27: -1.1|-0.4

- We expect consolidated net sales to grow 3% YoY, led by volume growth of 5% in 1QFY26.
- We expect gross margin contraction of 130bp YoY to 50% due to increased palm oil prices.
- In segment revenue, Fabric Care and Dishwashing are expected to increase 5% each YoY, while HI is expected to decline 6% due to weak season. Personal Care is also expected to decline 4%.

Consolidated Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Volume growth (%)	11%	3%	8%	4%	5%	6%	9%	9%	6%	8%
Net Sales	7,418	7,338	7,045	6,670	7,674	7,833	7,685	7,284	28,470	30,476
YoY change (%)	8.0	0.2	4.0	1.1	3.4	6.7	9.1	9.2	3.3	7.0
Gross Profit	3,805	3,683	3,506	3,281	3,837	3,940	3,889	3,725	14,275	15,390
Margins (%)	51.3	50.2	49.8	49.2	50.0	50.3	50.6	51.1	50.1	50.5
EBITDA	1,335	1,385	1,158	1,119	1,352	1,432	1,329	1,230	4,996	5,342
EBITDA growth %	13.7	2.3	-2.4	3.3	1.3	3.4	14.8	9.9	4.1	6.9
Margins (%)	18.0	18.9	16.4	16.8	17.6	18.3	17.3	16.9	17.5	17.5
Depreciation	134	139	143	146	145	149	151	156	561	601
Interest	14	14	15	17	15	15	16	16	59	62
Other Income	137	125	139	155	155	140	155	161	556	611
PBT	1,324	1,357	1,138	1,112	1,347	1,408	1,317	1,220	4,931	5,291
Tax	307	307	264	306	337	352	329	253	1,184	1,271
Rate (%)	23.2	22.6	23.2	27.6	25.0	25.0	25.0	20.7	24.0	24.0
Adjusted PAT	1,017	1,050	874	806	1,010	1,056	988	967	3,747	4,020
YoY change (%)	16.6	1.0	-3.9	3.1	-0.7	0.6	13.0	20.0	4.0	7.3

E: MOFSL Estimates

LT Foods

Buy

CMP: INR476 | TP: INR600 (+26%)
EPS CHANGE (%): FY26|FY27: +4|-1

- We expect consolidated sales to grow ~14% YoY, led by volume growth.
- We anticipate the Basmati rice segment to witness volume growth of ~8-10% in both the domestic and international markets.
- EBITDA margin expected to expand 30bp YoY to 11.9% in 1QFY26.
- We expect the organic segment to report a revenue growth of ~15% YoY in 1Q, with strong traction to continue during the year.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	20,705	21,078	22,748	22,284	23,505	25,780	27,480	27,510	86,815	104,276
YoY Change (%)	16.4	6.6	17.2	7.4	13.5	22.3	20.8	23.5	11.7	20.1
Total Expenditure	18,296	18,785	20,250	19,701	20,707	22,663	24,099	24,072	77,032	91,542
EBITDA	2,409	2,293	2,498	2,583	2,798	3,117	3,381	3,437	9,783	12,734
Margins (%)	11.6	10.9	11.0	11.6	11.9	12.1	12.3	12.5	11.3	12.2
Depreciation	420	448	458	531	489	495	483	505	1,857	1,972
Interest	187	196	236	257	200	190	150	113	877	653
Other Income	175	263	134	313	150	100	250	230	885	730
PBT before EO expense	1,977	1,911	1,938	2,107	2,259	2,532	2,998	3,049	7,934	10,839
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	1,977	1,911	1,938	2,107	2,259	2,532	2,998	3,049	7,934	10,839
Tax	530	494	525	554	569	637	755	768	2,102	2,728
Rate (%)	26.8	25.8	27.1	26.3	25.2	25.2	25.2	25.2	26.5	25.2
Minority Interest & Profit/Loss of Asso. Cos.	-84	-66	-19	-52	-26	0	0	0	-222	-26
Reported PAT	1,532	1,484	1,433	1,605	1,716	1,895	2,244	2,282	6,053	8,137
Adj PAT	1,532	1,484	1,433	1,605	1,716	1,895	2,244	2,282	6,053	8,137
YoY Change (%)	11.4	-7.2	-5.2	7.9	12.1	27.7	56.6	42.2	1.3	34.4
Margins (%)	7.4	7.0	6.3	7.2	7.3	7.3	8.2	8.3	7.0	7.8

Marico

Buy

CMP: INR717 | TP: INR825 (+15%)
EPS CHANGE (%): FY26|FY27: +2.5|+1.7

- The domestic business is experiencing steady improvement. We expect 21% consol. revenue growth and ~8% domestic volume growth. The high pricing contribution is driven largely by price hikes in Parachute.
- Gross margins expected to contract 355bp YoY to 48.7%, given the high base and rise in RM prices. Operating margins are expected to contract 250bp YoY to 21.2%.
- Parachute oil is expected to deliver >20% revenue growth, aided by pricing interventions as the company incorporated another round of price hike in Jun'25. Saffola oil is expected to deliver revenue growth in the high twenties, backed by mid-single digit volume growth. Moreover, VAHO revenue grew in low double digits.
- The International business is expected to deliver revenue CC growth in high teens, with positive contributions from all markets.

Quarterly Performance

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Domestic volume growth (%)	4.0	5.0	6.0	7.0	7.9	8.2	8.5	5.1	5.5	6.5
Net Sales	26,430	26,640	27,940	27,300	32,033	31,874	32,106	29,173	1,08,310	1,25,186
YoY Change (%)	6.7	7.6	15.4	19.8	21.2	19.6	14.9	6.9	12.2	15.6
Gross Profit	13,810	13,530	13,830	13,260	15,600	15,523	16,213	15,006	54,430	62,343
Gross margin (%)	52.3	50.8	49.5	48.6	48.7	48.7	50.5	51.4	50.3	49.8
EBITDA	6,260	5,220	5,330	4,580	6,789	5,932	6,535	5,558	21,390	24,813
Margins (%)	23.7	19.6	19.1	16.8	21.2	18.6	20.4	19.1	19.7	19.8
YoY Change (%)	9.1	5.0	3.9	3.6	8.4	13.6	22.6	21.3	5.6	16.0
Depreciation	410	410	440	520	475	475	475	514	1,780	1,939
Interest	170	110	130	120	125	120	120	112	530	477
Other Income	370	400	420	470	450	450	450	496	1,660	1,846
PBT	6,050	5,100	5,180	4,410	6,639	5,787	6,390	5,428	20,740	24,244
Tax	1,310	1,190	1,120	960	1,494	1,302	1,438	1,221	4,580	5,455
Rate (%)	21.7	23.3	21.6	21.8	22.5	22.5	22.5	22.5	22.1	22.5
Adjusted PAT	4,640	3,915	3,990	3,430	5,080	4,419	4,887	4,141	15,975	18,528
YoY Change (%)	8.7	10.9	4.2	7.9	9.5	12.9	22.5	20.7	7.9	16.0

E: MOFSL Estimates

Nestlé India

Neutral
CMP: INR2,410 | TP: INR2,400 (-1%)
EPS CHANGE (%): FY25|FY26|FY27: -2.4|-1.6

- We expect overall sales growth of 5.7% YoY, led by 5.5% growth in domestic sales and 10% growth in export sales. However, while demand recovery is underway, a higher dependency on urban markets may weigh on NEST volumes.
- The company has likely implemented a price hike in response to rising commodity prices.
- We expect GP margin contraction of 60bp YoY to 57%, impacted by a rise in RM prices like coffee and edible oil, while we model a stable EBITDA margin of 23.3% in 1QFY26.
- Nestle focuses on expanding its distribution reach, premiumization, and innovations.

Quarterly performance

(InR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Net Sales	48,140	51,040	47,797	55,039	50,890	55,441	52,095	59,583	2,02,016	2,18,010
YoY Change (%)	3.3	1.3	3.9	4.5	5.7	8.6	9.0	8.3	3.5	7.9
Gross Profit	27,751	28,901	26,951	30,914	29,007	31,712	29,903	34,079	1,14,518	1,24,701
Margin (%)	57.6	56.6	56.4	56.2	57.0	57.2	57.4	57.2	56.7	57.2
EBITDA	11,239	11,918	11,223	14,124	11,849	13,218	12,677	15,389	48,503	53,133
Margins (%)	23.3	23.3	23.5	25.7	23.3	23.8	24.3	25.8	24.0	24.4
YoY Growth (%)	5.4	-4.4	-0.6	5.2	5.4	10.9	13.0	9.0	2.6	9.5
Depreciation	1,127	1,216	1,503	1,553	1,550	1,550	1,550	1,596	5,399	6,246
Interest	317	322	346	375	306	306	306	306	1,360	1,224
Other income	391	69	44	84	250	250	300	299	589	1,099
PBT	10,186	10,448	9,419	12,280	10,243	11,612	11,121	13,785	42,333	46,762
Tax	2,625	3,010	2,264	3,192	2,687	3,037	2,915	3,750	11,085	12,389
Rate (%)	25.8	28.8	24.0	26.0	26.2	26.2	26.2	27.2	26.2	26.5
Adjusted PAT	7,467	7,792	6,836	8,730	7,456	8,425	8,086	9,880	30,827	33,848
YoY Change (%)	6.4	-3.3	-12.4	-4.5	-0.2	8.1	18.3	13.2	-2.6	9.8

E: MOFSL Estimates

Page Industries

BUY
CMP: INR48,226 | TP: INR57,500 (+19%)
EPS CHANGE (%): FY26|FY27: -|-

- We expect ~12% YoY revenue growth, led by volume growth of 9% and the remainder driven by a change in the mix. No price hikes are expected in 1Q.
- Gross margin is expected to expand 290bp YoY to 57%, supported by stable input prices. EBITDA margin is likely to expand 150bp YoY to 20.5%.
- Weak urban consumption remains a headwind, but normalized trade inventory can enable better primary growth.
- Primary and secondary sales are now expected to be aligned, reversing the trend observed in the last few quarters.

Quarterly Statement

(InR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Volume growth (%)	2.6	6.7	4.7	8.5	9.0	11.0	11.5	11.6	5.0	10.4
Net Sales	12,775	12,454	13,131	10,981	14,343	14,238	15,080	12,627	49,340	56,287
YoY change (%)	3.9	10.7	6.9	10.6	12.3	14.3	14.8	15.0	8.0	14.1
Gross Profit	6,918	7,031	7,399	6,689	8,175	8,329	8,671	7,539	28,036	32,715
Gross margin (%)	54.1	56.5	56.3	60.9	57.0	58.5	57.5	59.7	56.8	58.1
EBITDA	2,433	2,806	3,025	2,352	2,940	3,204	3,393	2,684	10,617	12,221
Margins (%)	19.0	22.5	23.0	21.4	20.5	22.5	22.5	21.3	21.5	21.7
YoY change	2.0	20.1	31.7	43.1	20.8	14.2	12.2	14.1	23.5	15.1
Depreciation	221	226	297	249	265	294	311	333	992	1,203
Interest	117	109	119	118	120	120	122	125	464	487
Other Income	129	146	140	201	142	160	155	169	616	625
PBT	2,225	2,616	2,750	2,187	2,697	2,950	3,114	2,395	9,777	11,156
Tax	572	672	703	547	677	740	782	601	2,494	2,800
Rate (%)	25.7	25.7	25.6	25.0	25.1	25.1	25.1	25.1	25.5	25.1
PAT	1,652	1,944	2,047	1,640	2,020	2,209	2,332	1,794	7,282	8,356
YoY change (%)	4.3	29.3	34.3	51.6	22.3	13.7	14.0	9.4	27.9	14.7

E: MOFSL Estimates

P&G Hygiene

Neutral

CMP: INR13,322 | TP: INR15,000 (+13%)

EPS CHANGE (%): FY25 | FY26: -2.1 | -1.6

- Sales are expected to grow ~6% YoY in 4QFY25 (June quarter year ending).
- Gross margin is expected to expand 270bp YoY to 61.9%.
- EBITDA margin is expected to expand 410bp YoY to 18.2%.
- A&P spending and demand outlook are the key monitorables.

Standalone - Quarterly Earnings

Y/E June	FY24				FY25E				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	FY24	FY25E
Net Sales	11,384	11,334	10,022	9,318	11,352	12,476	9,916	9,857	42,057	43,601
YoY Change (%)	9.2	-0.3	13.5	9.7	-0.3	10.1	-1.1	5.8	7.5	3.7
Gross profit	6,932	6,825	6,644	5,514	7,139	8,085	5,969	6,101	25,915	27,294
Margin (%)	60.9	60.2	66.3	59.2	62.9	64.8	60.2	61.9	61.6	62.6
EBITDA	2,849	3,097	2,573	1,313	2,905	3,709	2,097	1,797	9,833	10,508
Growth	33.1	6.6	72.4	-37.9	2.0	19.8	-18.5	36.9	13.2	6.9
Margins (%)	25.0	27.3	25.7	14.1	25.6	29.7	21.1	18.2	23.4	24.1
Depreciation	143	143	145	134	117	99	104	116	565	435
Interest	19	26	224	-1	19	66	58	12	268	155
Other Income	158	156	136	73	85	97	191	194	523	567
PBT	2,845	3,085	2,339	1,253	2,854	3,641	2,127	1,863	9,522	10,485
PBT after EO expense	2,845	3,085	2,029	1,123	2,854	3,641	2,127	1,863	9,082	10,485
Tax	738	796	796	345	735	955	566	386	2,674	2,642
Rate (%)	25.9	25.8	39.2	30.7	25.7	26.2	26.6	20.7	29.4	25.2
Adj PAT	2,107	2,289	1,854	908	2,119	2,686	1,561	1,477	7,159	7,843
YoY Change (%)	36.4	10.1	72.5	-38.5	0.6	17.3	-15.8	62.6	15.3	9.6
Margins (%)	18.5	20.2	18.5	9.7	18.7	21.5	15.7	15.0	17.0	18.0

E: MOFSL Estimates

Pidilite Industries

Neutral

CMP: INR3,045 | TP: INR3,000 (-1%)

EPS CHANGE (%): FY26 | FY27: +0.7 | +0.7

- We expect demand recovery in 1Q, though rural growth continues to outperform urban growth. Pidilite's core category can witness some headwinds due to the subdued demand environment at the macro level.
- We expect consolidated revenue to grow 10% YoY and volume to grow 12% during the quarter.
- We expect gross margin to expand 120bp YoY to 55%, driven by a YoY decline in VAM prices.
- Outlook on domestic and international demand is a key monitorable.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26				(INR m)	
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE	FY25	FY26E
Volume growth (%)	9.6	8.0	9.7	9.8	12.0	10.0	10.0	10.0	9.3	10.5
Net Sales	33,954	32,349	33,689	31,411	37,364	35,497	38,145	35,919	1,31,403	1,46,925
YoY change (%)	3.7	5.2	7.6	8.2	10.0	9.7	13.2	14.3	6.1	11.8
Gross Profit	18,268	17,583	18,301	17,288	20,550	19,453	20,903	19,638	71,440	80,545
Margin (%)	53.8	54.4	54.3	55.0	55.0	54.8	54.8	54.7	54.4	54.8
Total Expenditure	25,826	24,661	25,705	25,086	28,571	27,077	29,022	28,677	41,315	46,966
EBITDA	8,127	7,688	7,984	6,326	8,793	8,421	9,123	7,242	30,125	33,579
YoY change (%)	15.0	13.1	7.5	9.6	8.2	9.5	14.3	14.5	11.3	11.5
Margins (%)	23.9	23.8	23.7	20.1	23.5	23.7	23.9	20.2	22.9	22.9
Depreciation	844	879	895	967	967	967	970	971	3,585	3,875
Interest	118	117	125	144	130	129	137	136	504	532
Other Income	539	571	558	804	674	714	697	828	2,472	2,914
PBT	7,704	7,263	7,522	6,019	8,370	8,039	8,713	6,962	28,509	32,084
Tax	1,984	1,848	1,947	1,487	2,093	2,010	2,178	1,740	7,265	8,021
Rate (%)	25.7	25.4	25.9	24.7	25.0	25.0	25.0	25.0	25.7	25.0
Reported PAT	5,669	5,346	5,524	4,223	6,223	5,974	6,480	5,166	20,762	23,842
Adj PAT	5,669	5,346	5,524	4,473	6,223	5,974	6,480	5,166	21,012	23,842
YoY change (%)	21.1	18.7	8.2	20.2	9.8	11.8	17.3	15.5	16.7	13.5
Margins (%)	16.7	16.5	16.4	14.2	16.7	16.8	17.0	14.4	16.0	16.2

E: MOFSL Estimates

Radico Khaitan

BUY
CMP: INR2,570 | TP: INR3,000 (+17%)
EPS CHANGE (%): FY26|FY27: -0.1|2.0

- We expect 22% revenue growth. In P&A, we model 17% volume growth and 23% revenue growth. In popular, we expect 40% revenue growth and 35% growth in volume.
- We expect GM to expand 200bp YoY to 43.5% on stable RM prices and improving product mix. EBITDA margin is expected to expand 120bp YoY to 14.3%.
- Radico has a mid- to high-single-digit revenue contribution from Maharashtra, so the impact of the increase in excise duty will be lower compared to other branded players.
- The success of new launches will be a key monitorable for the company's performance.

Quarterly Earning Model (Standalone)

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
IMFL volume growth %	-4.1	-2.4	15.5	27.5	22.6	11.6	8.0	7.2	9.2	11.8
P&A volume growth (%)	14.2	12.7	18.0	16.4	17.0	15.0	18.0	18.3	15.5	17.1
Regular volume growth (%)	-14.0	-11.9	13.5	78.1	35.0	15.0	5.0	-4.0	13.3	10.7
Total revenues	11,365	11,163	12,942	13,041	13,830	13,173	15,022	15,380	48,512	57,405
YoY change (%)	19.1	20.7	11.5	20.9	21.7	18.0	16.1	17.9	17.8	18.3
Gross Profit	4,720	4,870	5,568	5,669	6,016	5,730	6,535	6,731	20,773	25,012
Margin (%)	41.5	43.6	43.0	43.5	43.5	43.5	43.5	43.8	42.8	43.6
EBITDA	1,490	1,632	1,840	1,776	1,978	2,042	2,253	2,235	6,737	8,508
Margins (%)	13.1	14.6	14.2	13.6	14.3	15.5	15.0	14.5	13.9	14.8
EBITDA growth (%)	24.7	34.6	28.8	45.0	32.7	25.1	22.5	25.8	33.1	26.3
Depreciation	329	357	356	360	360	360	360	366	1,401	1,446
Interest	185	167	195	215	180	175	150	116	738	621
Other income	37	11	11	14	25	25	25	25	49	100
PBT	1,014	1,118	1,299	1,215	1,463	1,532	1,768	1,778	4,646	6,541
Tax	251	297	339	308	367	384	444	446	1,194	1,642
Rate (%)	24.7	26.5	26.1	25.3	25.1	25.1	25.1	25.1	25.7	25.1
Extraordinary inc/(Exp)	0	0	0	0	0	0	0	0	0	0
Reported PAT	763	822	960	907	1,096	1,147	1,324	1,332	3,452	4,899
Adj.PAT	763	822	960	907	1,096	1,147	1,324	1,332	3,452	4,899
YoY change (%)	20.7	32.8	30.0	59.7	43.5	39.6	38.0	46.8	35.0	41.9

E: MOFSL Estimate

Tata Consumer Products

Buy
CMP: INR1,095 | TP: INR1,300(+19%)
EPS CHANGE (%):FY26|FY27: -10|-4

- We expect revenue to grow ~8% YoY, led by growth from domestic businesses.
- EBITDA margin is likely to contract to ~13% in 1QFY26 vs. 15.3% in 1QFY25.
- We expect tea volumes to grow at the same rate as 4QFY25 at ~4%.
- We expect the salt segment to witness a good quarter, driven by higher volumes and price hikes.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	43,521	42,145	44,436	46,082	47,115	46,082	46,983	49,997	176,183	190,178
YoY Change (%)	16.3	12.9	16.8	17.3	8.3	9.3	5.7	8.5	15.9	7.9
Total Expenditure	36,847	35,882	38,788	39,873	41,001	39,900	40,576	42,974	151,390	164,451
EBITDA	6,674	6,263	5,647	6,210	6,115	6,182	6,407	7,022	24,794	25,726
Margins (%)	15.3	14.9	12.7	13.5	13.0	13.4	13.6	14.0	14.1	13.5
Depreciation	1,480	1,493	1,503	1,531	1,550	1,560	1,570	1,580	6,007	6,260
Interest	936	987	579	400	400	400	380	350	2,902	1,530
Other Income	392	460	516	565	550	575	600	635	1,933	2,360
PBT before EO expense	4,650	4,242	4,081	4,844	4,715	4,797	5,057	5,727	17,817	20,296
Extra-Ord expense	-171	-272	-62	453	0	0	0	0	-51	0
PBT	4,479	3,971	4,019	5,297	4,715	4,797	5,057	5,727	17,766	20,296
Tax	1,337	377	1,022	1,226	1,187	1,207	1,273	1,442	3,962	5,109
Rate (%)	29.9	9.5	25.4	23.2	25.2	25.2	25.2	25.2	22.3	25.2
Minority Interest	-11	28	30	39	-12	31	33	43	86	95
Profit/Loss of Asso. Cos.	-249	79	-178	-584	-237	75	-169	-554	-932	-885
Reported PAT	2,903	3,644	2,789	3,449	3,303	3,634	3,582	3,689	12,785	14,207
Adj PAT	3,031	3,848	2,835	3,109	3,303	3,634	3,582	3,689	12,823	14,207
YoY Change (%)	-5.4	10.2	-18.4	-17.9	9.0	-5.6	26.3	18.7	-8.1	10.8
Margins (%)	7.0	9.1	6.4	6.7	7.0	7.9	7.6	7.4	7.3	7.5

United Breweries

Neutral

CMP: INR1,950 | TP: INR2,000 (+3%)

EPS CHANGE (%): FY26 | FY27: -6.4 | -4.8

- We expect 10% revenue growth and 4% volume growth YoY in 1QFY26, impacted by a weak summer. Realization growth is expected to be in mid-single-digit, led by a better product mix and price hikes in Telangana and Karnataka.
- We expect GM to expand 70bp YoY to 43.7% on stable RM prices.
- EBITDA margin is expected to expand 60bp YoY to 12.1%. The company continues to undertake various cost-saving initiatives.
- The outlook on state mix and realization growth remains a key monitorable.

Standalone Quarterly Performance

(INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Volume growth (%)	5	5	8	5	4	4	5	5	6	6
Net Sales	24,730	21,147	19,984	23,214	27,202	23,684	22,382	26,329	89,074	99,598
YoY Change (%)	8.8	12.0	9.6	8.9	10.0	12.0	12.0	13.4	9.7	11.8
Gross Profit	10,642	9,272	8,619	9,772	11,887	10,540	9,915	11,481	38,305	43,823
Margin (%)	43.0	43.8	43.1	42.1	43.7	44.5	44.3	43.6	43.0	44.0
EBITDA	2,847	2,268	1,411	1,862	3,291	2,842	1,992	2,880	8,390	11,006
YoY Change (%)	27.8	22.9	-3.0	31.2	15.6	25.3	41.1	54.7	20.5	31.2
Margins (%)	11.5	10.7	7.1	8.0	12.1	12.0	8.9	10.9	9.4	11.1
Depreciation	577	571	613	567	582	594	613	617	2,327	2,405
Interest	16	22	32	59	24	26	26	24	129	100
Other Income	73	105	101	79	109	116	119	121	357	464
PBT before EO expense	2,327	1,781	867	1,316	2,794	2,338	1,472	2,360	6,291	8,965
Tax	595	458	227	342	699	584	368	590	1,622	2,241
Rate (%)	25.5	25.7	26.2	26.0	25.0	25.0	25.0	25.0	26.9	25.0
Adj PAT	1,733	1,322	640	974	2,096	1,753	1,104	1,770	4,669	6,723
YoY Change (%)	27.3	22.9	-24.5	20.5	20.9	32.6	72.5	81.8	13.6	44.0
Margins (%)	7.0	6.3	3.2	4.2	7.7	7.4	4.9	6.7	5.2	6.8

E: MOFSL Estimates

United Spirits

Neutral

CMP: INR1,401 | TP: INR1,500 (+7%)

EPS CHANGE (%): FY26 | FY27: -3.1 | -2.6

- The P&A segment's volume growth remained subdued in 1QFY26, partly due to a high base in 1QFY25, which had benefited from election-related inventory stocking. We model 5% volume growth and 7% revenue growth in the P&A segment.
- We model 5% volume growth and 8% revenue growth in the popular segment.
- Gross margins are expected to remain stable at 44.5%, given the stabilization in input prices. EBITDA margin is expected to contract 270bp YoY, impacted by elevated expenses and some degree of operating deleverage during the quarter.
- The impact of Maharashtra's import duty changes, primarily affecting the lower- to mid-prestige segments, will be more visible in 2QFY26. However, the upper prestige segment remains largely unaffected.

Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
(Standalone)	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Volume growth %	3.5	-4.4	10.2	6.9	4.9	5.0	4.5	5.3	4.1	4.9
Total revenues	23,520	28,430	34,320	29,460	24,986	30,555	37,185	32,170	1,15,730	1,24,897
YoY change (%)	8.3	-0.8	14.8	10.5	6.2	7.5	8.3	9.2	8.2	7.9
Gross Profit	10,460	12,850	15,350	13,100	11,119	13,872	16,733	14,729	51,760	56,453
Margin (%)	44.5	45.2	44.7	44.5	44.5	45.4	45.0	45.8	44.7	45.2
EBITDA	4,580	5,070	5,880	5,050	4,185	5,439	6,470	6,075	20,580	22,169
Margins (%)	19.5	17.8	17.1	17.1	16.8	17.8	17.4	18.9	17.8	17.8
EBITDA growth (%)	18.9	7.8	19.7	39.5	-8.6	7.3	10.0	20.3	20.5	7.7
Depreciation	650	690	720	680	689	697	713	649	2,740	2,748
Interest	220	250	200	220	220	225	210	220	890	875
Other income	320	340	720	750	550	550	700	650	2,130	2,450
PBT	4,030	4,470	5,680	4,900	3,826	5,067	6,247	5,856	19,080	20,996
Tax	1,040	1,120	1,480	1,340	964	1,277	1,574	1,469	4,980	5,285
Rate (%)	25.8	25.1	26.1	27.3	25.2	25.2	25.2	25.1	26.1	25.2
Adj. PAT	2,990	3,350	4,203	3,798	2,862	3,790	4,673	4,387	14,341	15,712
YoY change (%)	24.8	5.3	20.7	62.3	-4.3	13.1	11.2	15.5	25.8	9.6

E: MOFSL Estimate

Varun Beverages

Buy

CMP: INR452 | TP: INR620 (+37%)

EPS CHANGE (%): CY25 | CY26 | CY27: -9 | -5 | -6

- We expect Net sales to remain flat YoY in 2QCY25.
- We expect EBITDA margin to contract ~40bp YoY to 27.3% in 2QCY25.
- We expect overall volumes to remain flat due to the onset of early monsoon.
- We expect DRC to ramp up by 2HCY25.

Consolidated - Quarterly Earning Model

Y/E December	CY24				CY25				CY24	(INR m) CY25E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	43,173	71,969	48,047	36,888	55,669	71,969	55,254	41,938	200,077	224,830
YoY Change (%)	10.9	28.3	24.1	38.3	28.9	0.0	15.0	13.7	24.7	12.4
Total Expenditure	33,286	52,056	36,536	31,088	43,030	52,336	41,489	35,101	152,966	171,955
EBITDA	9,888	19,912	11,511	5,800	12,640	19,633	13,765	6,837	47,111	52,875
Margins (%)	22.9	27.7	24.0	15.7	22.7	27.3	24.9	16.3	23.5	23.5
Depreciation	1,875	2,425	2,566	2,608	2,725	2,850	2,950	3,105	9,474	11,630
Interest	937	1,292	1,185	1,090	411	400	300	250	4,504	1,361
Other Income	84	440	243	446	281	500	600	700	1,213	2,081
PBT before EO expense	7,159	16,636	8,002	2,548	9,784	16,883	11,115	4,182	34,346	41,964
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	7,159	16,636	8,002	2,548	9,784	16,883	11,115	4,182	34,346	41,964
Tax	1,678	4,012	1,713	585	2,465	3,714	2,445	893	7,988	9,517
Rate (%)	23.4	24.1	21.4	23.0	25.2	22.0	22.0	21.4	23.3	22.7
Minority Interest & Profit/Loss of Asso. Cos.	109	98	93	112	54	102	101	115	411	373
Reported PAT	5,373	12,526	6,196	1,851	7,265	13,067	8,569	3,173	25,946	32,074
Adj PAT	5,373	12,526	6,196	1,851	7,265	13,067	8,569	3,173	25,946	32,074
YoY Change (%)	25.2	26.0	23.6	40.5	35.2	4.3	38.3	71.4	26.2	23.6
Margins (%)	12.4	17.4	12.9	5.0	13.1	18.2	15.5	7.6	13.0	14.3

Company

Barbeque Nation
Devyani Intl.
Jubilant Foodworks
Restaurant Brands Asia
Sapphire Foods
Westlife Foodworld

QSR: Muted demand trends; margin to remain under pressure

- The demand environment for QSR companies remained muted in 1QFY26. While demand sentiments remained healthy in Apr'25, they remained weak in May'25 and the second half of Jun'25. Weak underlying growth, combined with negative operating leverage and continued store expansion, is likely to keep operating margins under pressure. This will weigh on restaurant and EBITDA margins for most brands. The dine-in channel performance and the revenue gap between dine-in and delivery will be key monitorables for the quarter. Enhancing the menu and rolling out activation drives for dine-in could be crucial for improving footfall/orders going forward. We expect sales/EBITDA growth of 11%/10%, while APAT is likely to decline 17% for our coverage QSR companies in 1QFY26.
- Jubilant FoodWorks is expected to continue being an outlier among QSR companies in the near term (driven by delivery moat), but its valuations are rich. Though dine-in companies are struggling, their operating growth metrics are likely to improve significantly once recovery begins.

Outliers: Jubilant Foodworks

Underperformers: Devyani, Sapphire

Exhibit 27: QSR quarterly trends

Particulars	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26E
Revenue Growth (%)									
Barbeque Nation	3%	-3%	1%	6%	-6%	1%	-1%	-2%	-1%
Devyani (Consol)	20%	10%	7%	39%	44%	49%	54%	16%	9%
-KFC	22%	15%	14%	11%	7%	7%	9%	3%	8%
-Pizza hut	11%	2%	-2%	-4%	-1%	0%	6%	8%	10%
Jubilant (Standalone)	6%	5%	3%	15%	10%	9%	19%	10%	19%
Sapphire	20%	14%	12%	13%	10%	8%	14%	13%	9%
-KFC	21%	19%	16%	16%	11%	9%	12%	12%	11%
-Pizza hut	12%	-6%	-4%	-3%	3%	3%	10%	5%	-2%
Restaurant Brands (Consol)	25%	19%	15%	16%	6%	1%	6%	6%	9%
Restaurant Brands (Standalone)	25%	23%	20%	20%	16%	9%	11%	12%	12%
Westlife	14%	7%	-2%	1%	0%	1%	9%	7%	8%
SSSG									
Barbeque Nation	-8%	-11%	-5%	1%	-7%	-3%	-2%	-2%	-3%
Devyani - KFC	-1%	-4%	-5%	-7%	-7%	-7%	-4%	-6%	-2%
Devyani - PH	-5%	-10%	-13%	-14%	-9%	-6%	-1%	1%	0%
Jubilant (LFL)	-1%	-1%	-3%	0%	3%	3%	13%	12%	12%
Sapphire - KFC	0%	0%	-2%	-3%	-6%	-8%	-3%	-1%	0%
Sapphire - PH	-9%	-20%	-19%	-15%	-7%	-3%	5%	1%	-6%
Restaurant Brands	4%	4%	3%	2%	3%	-3%	-1%	5%	3%
Westlife	7%	1%	-9%	-5%	-7%	-7%	3%	1%	2%
Gross profit margin (%)									
Barbeque Nation	64.0%	65.9%	67.9%	68.9%	68.1%	68.1%	68.2%	68.5%	68.5%
Devyani (Consol)	70.8%	70.8%	70.6%	69.2%	69.2%	69.3%	68.7%	68.5%	69.5%
-KFC	69.7%	69.0%	69.4%	69.9%	69.5%	69.0%	68.6%	68.3%	69.5%
-Pizza hut	74.9%	75.7%	75.8%	77.3%	76.8%	76.7%	76.2%	75.6%	76.7%
Jubilant (Standalone)	76.0%	76.4%	76.7%	76.6%	76.1%	76.1%	75.1%	74.5%	74.7%
Sapphire	68.5%	68.7%	68.9%	68.9%	68.6%	68.8%	68.6%	68.2%	68.3%
-KFC	68.1%	67.9%	68.4%	68.3%	68.2%	68.3%	68.2%	68.0%	68.4%
-Pizza hut	75.1%	76.1%	75.7%	75.5%	76.1%	76.5%	75.6%	74.8%	76.2%
Restaurant Brands (Consol)	64.0%	64.2%	64.4%	64.2%	64.5%	64.9%	65.6%	65.3%	65.5%
Restaurant Brands (Standalone)	66.5%	66.8%	67.1%	67.7%	67.6%	67.5%	67.8%	67.8%	68.0%
Westlife	70.6%	70.1%	70.3%	70.2%	70.6%	69.7%	70.1%	70.0%	70.3%
RoM % (pre-Ind AS)									
Barbeque Nation									
Devyani (Consol)	18.2%	15.4%	15.4%	13.6%	15.3%	13.6%	14.3%	13.8%	13.8%

Particulars	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26E
-KFC	21.1%	19.4%	19.0%	19.0%	19.5%	16.6%	17.2%	16.2%	16.7%
-Pizza hut	10.1%	7.7%	6.1%	4.4%	4.9%	3.1%	2.1%	0.7%	1.0%
Jubilant (Standalone)									
Sapphire	17.2%	16.1%	16.0%	13.8%	15.2%	13.8%	15.5%	12.0%	12.5%
-KFC	20.8%	19.2%	20.1%	18.7%	18.8%	16.5%	18.2%	15.7%	15.5%
-Pizza hut	9.0%	7.6%	4.6%	-2.7%	4.6%	4.1%	4.7%	-4.6%	0.0%
Restaurant Brands (Consol)	5.6%	7.5%	9.3%	6.0%	7.1%	7.2%	8.2%	7.7%	8.3%
Restaurant Brands (Standalone)	8.0%	10.7%	12.2%	7.8%	8.9%	10.6%	12.0%	10.5%	10.3%
Westlife									
EBITDA Pre-Ind AS margins (%)									
Barbeque Nation	4.6%	4.5%	11.0%	6.4%	6.9%	5.4%	10.3%	6.5%	8.0%
Devyani (Consol)	13.2%	11.5%	9.3%	9.2%	11.6%	9.4%	10.1%	8.9%	9.9%
Jubilant	13.4%	13.3%	12.9%	10.9%	11.6%	11.7%	12.4%	11.8%	11.7%
Sapphire	11.8%	10.6%	10.8%	8.6%	9.8%	8.5%	10.7%	7.1%	7.2%
Restaurant Brands (Consol)	-0.3%	1.5%	2.8%	-0.5%	1.3%	0.6%	2.1%	2.3%	2.6%
Restaurant Brands (India)	2.4%	5.4%	6.8%	2.4%	3.6%	5.0%	6.2%	5.4%	4.7%
Westlife	12.9%	11.9%	11.4%	8.7%	8.1%	7.7%	9.1%	7.6%	8.2%
ADS ('000')									
Barbeque Nation	170	158	175	153	155	153	162	141	142
Devyani									
-KFC	117	109	104	93	104	96	96	83	92
-Pizza hut	40	39	37	32	36	35	35	31	35
Jubilant (Standalone)	79	78	78	75	79	78	84	82	85
Sapphire									
-KFC	138	125	125	114	122	111	115	108	115
-Pizza hut	52	48	45	41	48	47	48	42	45
Restaurant Brands (India)	120	126	119	105	119	118	114	108	118
Westlife	189	185	176	157	170	168	173	153	165
Store (India)									
Barbeque Nation	212	212	210	217	219	222	226	230	236
Devyani India	1,230	1,298	1,387	1,429	1,473	1,557	1,658	1,664	1,715
-KFC	510	540	590	596	617	645	689	696	724
-Pizza hut	521	535	565	567	570	593	644	630	642
Jubilant	1,891	1,949	2,007	2,096	2,148	2,199	2,266	2,304	2,234
Sapphire	660	692	725	748	762	784	835	836	848
-KFC	358	381	406	429	442	461	496	502	512
-Pizza hut	302	311	319	319	320	323	339	334	336
Restaurant Brands	396	404	441	455	456	464	510	513	519
Westlife	361	370	380	397	403	408	421	438	448
PBT Margins									
Barbeque Nation	-1.7%	-5.0%	2.3%	-0.3%	-1.8%	-3.3%	1.4%	-5.6%	-2.0%
Devyani (Consol)	7.1%	4.0%	1.1%	0.4%	3.1%	-0.1%	0.4%	-1.7%	0.7%
Jubilant (Standalone)	7.7%	7.2%	6.0%	3.8%	4.7%	4.8%	4.9%	4.3%	5.2%
Sapphire	5.1%	3.3%	2.1%	0.1%	1.6%	0.8%	2.2%	0.6%	0.0%
Restaurant Brands (Consol)	-8.8%	-7.3%	-6.2%	-12.4%	-7.5%	-10.3%	-8.6%	-9.6%	-6.9%
Restaurant Brands (Standalone)	-5.2%	-2.1%	-1.4%	-7.1%	-5.5%	-3.4%	-3.8%	-5.2%	-3.2%
Westlife	6.6%	4.9%	3.9%	0.4%	0.7%	0.1%	1.0%	0.2%	1.3%

Barbeque Nation Hospitality

Neutral

CMP: INR315 | TP: INR325 (+3%)

EBITDA CHANGE (%): FY26|FY27: -4.3|-4.7

- Demand environment remained subdued as there was no meaningful improvement. We model a revenue decline of 1%.
- We expect same store sales decline of 3% and expect six store additions during the quarter, bringing the store count to 236.
- ADS is expected to decline 8% YoY and stand at 140-142k.
- Gross margins are expected to expand marginally 40bp YoY to 68.5%. EBITDA margin is expected to expand 120bp YoY to 17.8% due to effective cost efficiencies.

Cons. Quarterly Performance

Y/E March	FY25				FY26E				(INR m)	
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE	FY25	FY26E
SSSG (%)	-7.4	-2.5	-2.0	-2.0	-3.0	-1.0	2.0	6.0	-3.8	1.0
No. of stores	219	222	226	230	236	243	250	257	230	257
Net Sales	3,057	3,057	3,289	2,928	3,020	3,236	3,499	3,293	12,330	13,048
YoY change (%)	-5.6	1.3	-0.6	-1.8	-1.2	5.9	6.4	12.5	-1.7	5.8
Gross Profit	2,081	2,081	2,244	2,006	2,069	2,217	2,397	2,255	8,412	8,938
Margin (%)	68.1	68.1	68.2	68.5	68.5	68.5	68.5	68.5	68.2	68.5
EBITDA	509	456	615	533	538	524	658	577	2,113	2,296
EBITDA growth %	8.8	2.7	-7.2	-2.6	5.6	15.0	6.9	8.2	-0.4	8.7
Margin (%)	16.6	14.9	18.7	18.2	17.8	16.2	18.8	17.5	17.1	17.6
Depreciation	405	409	428	523	430	450	500	513	1,765	1,893
Interest	186	189	195	209	198	198	198	241	779	835
Other Income	27	43	55	34	30	50	50	35	158	165
PBT	-55	-100	47	-165	-60	-74	10	-142	-272	-267
Tax	-11	-28	-3	42	0	-18	2	-36	-1	-52
Rate (%)	20.9	28.4	-6.5	-25.2	0.0	25.0	25.2	25.0	0.5	19.3
Adjusted PAT	-43	-71	51	-207	-60	-55	7	-107	-271	-215
YoY change (%)	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M

E: MOFSL Estimates

Devyani International

Buy

CMP: INR169 | TP: INR210 (+24%)

EBITDA CHANGE (%): FY26|FY27: -10.7|-7.2

- Consolidated revenue is expected to grow 9%.
- PH SSSG is likely to remain flat despite a weak base. We model 12 new store additions in PH, resulting in 10% YoY revenue growth.
- KFC revenue is expected to grow 8% YoY, led by store additions. We model 28 store additions (+17% YoY), while same-store sales are expected to decline by 2%.
- Margin pressure will persist due to lower demand and negative operating leverage.

Quarterly Performance

Y/E March	FY25				FY26E				(INR m)	
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE	FY25	FY26E
KFC - No. of stores	617	645	689	696	724	752	780	806	696	806
PH - No. of stores	570	593	644	630	642	654	667	680	630	680
KFC - SSSG (%)	-7.0	-7.0	-4.4	-6.1	-2.0	3.5	5.0	9.5	-6.4	4.0
PH - SSSG (%)	-8.6	-5.7	-0.8	1.0	0.0	2.0	5.0	5.0	-3.8	3.0
Net Sales	12,219	12,222	12,944	12,126	13,334	13,635	14,391	13,867	49,511	55,228
YoY change (%)	44.3	49.1	53.5	15.8	9.1	11.6	11.2	14.4	39.2	11.5
Gross Profit	8,450	8,474	8,892	8,306	9,267	9,476	9,930	9,593	34,122	38,266
Margin (%)	69.2	69.3	68.7	68.5	69.5	69.5	69.0	69.2	68.9	69.3
EBITDA	2,234	1,987	2,192	2,008	2,267	2,303	2,555	2,299	8,422	9,423
EBITDA growth %	28.8	25.2	49.9	15.5	1.5	15.9	16.5	14.5	29.1	11.9
Margin (%)	18.3	16.3	16.9	16.6	17.0	16.9	17.8	16.6	17.0	17.1
Depreciation	1,322	1,391	1,557	1,653	1,611	1,650	1,689	1,729	6,332	6,679
Interest	630	653	670	695	661	686	683	678	2,648	2,708
Other Income	99	48	91	132	100	105	105	103	370	413
PBT	381	-9	56	-208	94	72	287	-6	-188	448
Tax	81	10	162	-56	19	14	57	-1	197	90
Rate (%)	21.2	-113.1	286.8	26.8	20.0	20.0	20.0	20.0	-104.7	20.0
Adjusted PAT	281	-27	-9	-20	131	113	285	55	226	583
Margin (%)	2.3	-0.2	-0.1	-0.2	1.0	0.8	2.0	0.4	0.5	1.1
YoY change (%)	-17.2	NM	NM	-161.2	-53.5	NM	NM	-373.0	-75.7	158.4

E: MOFSL Estimates

Jubilant FoodWorks

Neutral

CMP: INR709 | TP: INR750 (+6%)

EBITDA CHANGE (%): FY26|FY27: -1.6|+0.3

- JUBI is expected to grow 19% YoY, with ~12% LFL growth, sustaining the growth momentum seen in 2HFY25.
- Gross margins are expected to contract 140bp YoY to 74.7% on higher discounts and focus on value offerings. EBITDA (pre-Ind AS) is expected to remain flat YoY at 11.7%.
- The company continues to focus on store additions. It added 55 net Domino's India stores during the quarter.
- The company's focus has been on value-driven innovations, emphasizing new product developments. It has not implemented price hikes in the past 10-11 quarters.

Quarterly Standalone Perf.

Y/E March	FY25				FY26E				(INR m)	
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE	FY25	FY26E
No of stores (Dominos)	2,029	2,079	2,139	2,179	2,234	2,299	2,369	2,429	2,179	2,429
LFL growth (%)	3.0	2.8	12.5	12.1	12.0	9.0	8.0	7.0	7.6	9.0
Net Sales	14,396	14,669	16,111	15,872	17,131	17,016	18,608	18,670	61,047	71,425
YoY change (%)	9.9	9.1	18.9	19.2	19.0	16.0	15.5	17.6	14.3	17.0
Gross Profit	10,955	11,157	12,092	11,828	12,797	12,830	14,142	14,014	46,032	53,783
Gross margin (%)	76.1	76.1	75.1	74.5	74.7	75.4	76.0	75.1	75.4	75.3
EBITDA	2,782	2,842	3,128	3,056	3,321	3,328	3,690	3,598	11,807	13,937
EBITDA growth %	0.6	1.3	10.6	20.2	19.4	17.1	18.0	17.7	7.9	18.0
Margins (%)	19.3	19.4	19.4	19.3	19.4	19.6	19.8	19.3	19.3	19.5
Depreciation	1,552	1,654	1,741	1,777	1,867	1,861	1,898	1,976	6,724	7,602
Interest	619	640	682	667	675	700	700	716	2,609	2,791
Other Income	73	150	83	66	110	110	110	116	371	446
PBT	683	698	788	677	888	877	1,202	1,021	2,846	3,989
YoY Change (%)	-32.6	-27.5	-3.8	33.2	30.0	25.8	52.6	50.8	-13.9	40.2
Tax	168	177	192	182	224	221	303	255	719	1,002
Rate (%)	24.6	25.4	24.3	26.9	25.2	25.2	25.2	25.0	25.3	25.1
Adjusted PAT	515	521	596	495	665	657	900	766	2,126	2,987
YoY change (%)	-31.5	-27.8	-2.2	43.3	29.1	26.1	50.9	54.9	-12.4	40.5

E: MOFSL Estimates

Sapphire Foods

Buy

CMP: INR327 | TP: INR375 (+15%)

EBITDA CHANGE (%): FY26|FY27: -6.7|-6.0

- We model 9% revenue growth, mainly led by store additions.
- PH SSSG is expected to decline 6% YoY despite a weak base. We expect two new store additions for PH, bringing the total count to 336 stores in 1Q (5% YoY), and model a revenue decline of 2% YoY.
- KFC revenue is expected to grow 11% YoY, led by store additions (16% YoY). We model 10 store additions, with SSSG remaining flat YoY. However, we expect same-store transaction growth to be positive, led by the value portfolio.

Quarterly Performance

Y/E March	FY25				FY26E				(INR m)	
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE	FY25	FY26E
KFC - No. of stores	442	461	496	502	512	530	548	577	502	577
PH - No. of stores	320	323	339	334	336	340	347	354	334	354
KFC - SSSG (%)	-6.0	-8.0	-3.0	-1.0	0.0	3.0	7.0	8.0	-4.0	4.5
PH - SSSG (%)	-7.0	-3.0	5.0	1.0	-6.0	2.5	4.0	9.5	-1.0	2.5
Net Sales	7,183	6,957	7,565	7,113	7,823	7,880	8,535	8,571	28,819	32,809
YoY change (%)	9.8	8.3	13.7	12.6	8.9	13.3	12.8	20.5	11.1	13.8
Gross Profit	4,927	4,786	5,189	4,848	5,345	5,407	5,843	5,833	19,750	22,428
Margin (%)	68.6	68.8	68.6	68.2	68.3	68.6	68.5	68.1	68.5	68.4
EBITDA	1,242	1,120	1,343	1,062	1,182	1,283	1,513	1,447	4,768	5,423
EBITDA growth %	2.3	-2.7	10.3	3.2	-4.9	14.5	12.6	36.2	3.4	13.8
Margin (%)	17.3	16.1	17.8	14.9	15.1	16.3	17.7	16.9	16.5	16.5
Depreciation	904	881	1,005	850	994	969	1,105	922	3,639	3,991
Interest	273	271	275	298	300	298	303	329	1,116	1,230
Other Income	53	85	105	130	110	115	125	145	372	495
PBT	118	53	168	45	-2	131	229	340	384	698
Tax	36	1	41	-14	-1	33	58	85	64	176
Rate (%)	30.8	2.2	24.3	-31.7	25.2	25.2	25.2	25.1	16.7	25.2
Adjusted PAT	82	52	127	59	-2	98	172	255	320	522
YoY change (%)	-67.1	-65.9	29.5	189.3	-102.1	88.5	34.8	331.4	-38.4	63.2

E: MOFSL Estimates

Restaurant Brands Asia

Buy

CMP: INR83 | TP: INR135 (+63%)

EBITDA CHANGE (%): FY26|FY27: -|-

- The India business is expected to grow 12%. We build 2-3% SSSG as there is not much improvement in the underlying demand. Demand was good in Apr'25 but weak in May'25. The second half of Jun'25 was also not good.
- ADS is expected to decline 1% YoY to 118k.
- We model six store additions in India, bringing the total store count to 519 (14% YoY).
- We expect a 40bp expansion in GP margin to 68% due to stable RM prices. Additionally, we expect a 140bp YoY expansion of EBITDA margin to 14% due to cost efficiency.

Quarterly Standalone Performance

Y/E March	FY25				FY26E				(INR m)	
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE	FY25	FY26E
SSSG (%)	3.1%	-3.0%	-0.5%	5.1%	2.5%	6.0%	8.0%	7.5%	1.1%	6.0%
No. of stores	456	464	510	513	519	534	556	573	513	573
Net Sales	4,905	4,921	4,954	4,898	5,502	5,885	5,774	6,205	19,678	23,366
YoY change (%)	16.2	8.5	11.2	11.6	12.2	19.6	16.6	26.7	11.8	18.7
Gross Profit	3,318	3,322	3,361	3,322	3,741	3,990	3,927	4,231	13,322	15,889
Margin (%)	67.6	67.5	67.8	67.8	68.0	67.8	68.0	68.2	67.7	68.0
EBITDA	618	700	789	777	772	881	992	1,028	2,890	3,672
EBITDA growth %	27.5	10.3	11.5	41.1	24.9	25.9	25.7	32.2	784.1	307.2
Margin (%)	12.6	14.2	15.9	15.9	14.0	15.0	17.2	16.6	14.7	15.7
Depreciation	633	611	632	670	680	687	694	712	2,546	2,772
Interest	319	326	364	403	350	358	400	470	1,411	1,578
Other Income	64	71	21	42	85	70	65	72	192	292
PBT	-269	-166	-186	-254	-174	-94	-37	-82	-876	-387
Tax	0	0	0	0	0	0	0	0	0	0
Rate (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adjusted PAT	-269	-166	-186	-254	-174	-94	-37	-82	-876	-387
YoY change (%)	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM

E: MOFSL Estimates

Westlife Development

Neutral

CMP: INR769 | TP: INR775 (+1%)

EBITDA CHANGE (%): FY26|FY27: -11.2|-11.1

- We expect 8% revenue growth, led by 11% store growth (10 store addition). SSSG is expected to be 1-2% on a weak base. There was no material change in the demand environment, which remained subdued.
- ADS is expected to decline 3% YoY to INR165k in 1QFY26.
- Gross margin is expected to remain at 70.3%, contracting 30bp. Operating margin is expected to decline marginally 20bp YoY to 12.8%.
- We model EBITDA Pre-Ind AS margins at 8.2% for 1QFY26, flat YoY.

Consolidated quarterly performance

Y/E March	FY25				FY26E				(INR m)	
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE	FY25	FY26E
SSSG %	(6.7)	(6.5)	2.8	0.7	1.5	2.5	5.0	7.0	-2.9	4.0
No. of McDonald's restaurants	403	408	421	438	448	458	468	478	438	478
Net Sales	6,163	6,180	6,537	6,031	6,669	6,789	7,302	6,943	24,912	27,702
YoY Change (%)	0.3	0.5	8.9	7.3	8.2	9.9	11.7	15.1	4.2	11.2
Gross profit	4,351	4,306	4,581	4,221	4,688	4,766	5,148	4,928	17,459	19,530
Margin (%)	70.6	69.7	70.1	70.0	70.3	70.2	70.5	71.0	70.1	70.5
EBITDA	799	786	914	794	856	886	1,027	911	3,293	3,679
YoY Change (%)	-24.1	-21.1	-4.8	3.0	7.1	12.7	12.4	14.7	-12.9	11.7
Margins (%)	13.0	12.7	14.0	13.2	12.8	13.0	14.1	13.1	13.2	13.3
Depreciation	506	528	549	550	559	565	570	573	2,133	2,266
Interest	298	316	330	328	313	331	346	388	1,272	1,379
Other Income	51	65	29	98	105	105	105	109	242	424
PBT	45	7	65	13	89	95	216	59	131	459
Tax	13	3	-5	-2	22	24	54	15	9	115
Rate (%)	27.9	48.1	-8.0	-13.9	25.0	25.0	25.0	25.0	6.9	25.0
Adj PAT	33	4	71	15	67	71	162	44	122	344
YoY Change (%)	-88.7	-98.3	-59.1	96.5	104.8	1,800.5	129.8	190.9	-82.4	181.7
Margins (%)	0.5	0.1	1.1	0.3	1.0	1.0	2.2	0.6	0.5	1.2

E: MOFSL Estimates

Company

Kalyan

PN Gadgil

Senco Gold

Titan

Jewelry: Softness in demand due to sharp rise in gold prices

- In 1QFY26, gold prices surged ~30-35% YoY and ~15% QoQ, breaching the INR100,000 mark (per 10gm) in the retail market, driven by ongoing geopolitical tensions. This sharp and rapid increase has led to consumer budget constraints, with many customers choosing to delay purchases in anticipation of a price correction or stabilization, leading to demand softness in 1QFY26. SSSG is expected to grow in low-double-digit to mid-teens SSSG, primarily driven by pricing growth.
- Finance costs are expected to stabilize as the GML rate has normalized, following a spike in 4QFY25 due to the imposition of US tariffs. We expect sales/EBITDA/PAT growth of 20%/27%/35% for our coverage jewelry companies in 1QFY26.

Outliers: Kalyan Jewellers

Kalyan Jewellers

Buy

CMP: INR 570 | TP: INR660 (+16%)

EPS CHANGE (%): FY26 | FY27: - | -

- We expect 30% revenue growth in the India business. We model 15% SSSG, led by an increase in gold prices. We expect nine store additions for India Kalyan, 20 for Candere, and two in the Middle East, bringing the total count to 419 stores in 1Q.
- We expect a 90bp contraction in GP margin to 13.4%, impacted by promotional schemes offered to offset the sharp rise in gold prices. We model a 70bp contraction in EBITDA margin to 6.8% in 1QFY26.
- In the Middle East, we expect 14% YoY revenue growth and moderation in EBITDA margin.

Consolidated Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Stores	277	303	349	388	419	466	509	560	388	560
Net Sales	55,355	60,655	72,869	61,815	70,772	79,207	93,423	80,498	2,50,451	3,23,901
Change (%)	26.5	37.4	39.5	36.6	27.9	30.6	28.2	30.2	35.0	29.3
Raw Material/PM	47,419	52,313	63,323	53,314	61,299	69,114	81,873	69,918	2,16,370	2,82,204
Gross Profit	7,935	8,342	9,546	8,501	9,473	10,094	11,550	10,580	34,081	41,697
Gross Margin (%)	14.3	13.8	13.1	13.8	13.4	12.7	12.4	13.1	13.6	12.9
Operating Expenses	4,175	4,379	4,609	4,507	4,828	5,171	5,285	5,733	17,671	21,017
% of Sales	7.5	7.2	6.3	7.3	6.8	6.5	5.7	7.1	7.1	6.5
EBITDA	3,760	3,962	4,936	3,994	4,645	4,923	6,266	4,847	16,410	20,680
Margin (%)	6.8	6.5	6.8	6.5	6.6	6.2	6.7	6.0	6.6	6.4
Change (%)	16.4	26.3	33.5	34.8	23.5	24.2	26.9	21.4	25.0	26.0
Interest	852	903	876	962	895	903	876	946	3,595	3,621
Depreciation	755	850	890	933	952	971	981	998	3,427	3,901
Other Income	222	260	313	408	321	377	454	571	1,446	1,724
PBT	2,375	2,469	3,484	2,507	3,119	3,426	4,863	3,474	10,834	14,882
Tax	599	649	886	630	795	874	1,240	887	2,764	3,796
Effective Tax Rate (%)	25.2	26.3	25.4	25.1	25.5	25.5	25.5	25.5	25.5	25.5
Adjusted PAT	1,776	1,821	2,598	1,877	2,324	2,552	3,623	2,587	8,070	11,085
Change (%)	23.4	34.6	43.8	36.4	30.9	40.2	39.5	37.8	35.1	37.4
Reported PAT	1,776	1,303	2,187	1,877	2,324	2,552	3,623	2,587	7,142	11,085

E: MOFSL Estimates

PN Gadgil

Buy

CMP: INR605 | TP: INR825 (+36%)

EPS CHANGE (%): FY26 | FY27: 0.5 | 0.4

- We expect retail revenue to grow 35% YoY. However, reported revenue growth will be limited to 5% due to the discontinuation of HO bullion sales.
- Finance costs will stabilize to some extent as the GML rate has reduced to 4%.
- Gross profit margin is projected to expand 170bp YoY to 10%, driven by the cessation of bullion transfers being reported as sales and an improving mix from higher studded jewelry contribution.
- We expect five store additions, bringing the total store count to 58.

Consol. Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	16,682	20,013	24,358	15,882	17,431	21,823	30,603	23,213	76,935	93,070
YoY change (%)	32.7	45.9	23.5	5.0	4.5	9.0	25.6	46.2	25.9	21.0
Gross Profit	1,386	1,531	2,391	1,909	1,743	1,964	3,121	2,819	7,216	9,648
Margins (%)	8.3	7.6	9.8	12.0	10.0	9.0	10.2	12.1	9.4	10.4
EBITDA	643	721	1,228	941	767	911	1,609	1,476	3,538	4,763
Margins (%)	3.9	3.6	5.0	5.9	4.4	4.2	5.3	6.4	4.6	5.1
YoY growth (%)	44.2	59.4	33.3	5.8	19.3	26.4	31.1	56.8	30.5	34.6
Depreciation	63	72	84	130	120	120	120	126	348	486
Finance Cost	123	129	63	115	120	145	165	177	430	607
Other Income	19	118	70	149	75	75	75	75	351	200
PBT	477	638	1,150	846	602	721	1,399	1,248	3,111	3,870
YoY growth (%)	57.3	110.2	48.6	15.2	26.2	13.0	21.7	47.6	48.6	24.4
APAT	353	529	860	620	451	540	1,048	960	2,363	2,899
Margins (%)	2.1	2.6	3.5	3.9	2.6	2.5	3.4	4.1	3.1	3.1
YoY change (%)	59.5	141.1	49.4	12.9	27.7	2.1	21.8	54.8	52.4	22.7

E: MOFSL estimates

Senco Gold

Neutral

CMP: INR341 | TP: INR400 (+17%)

EPS CHANGE (%): FY26 | FY27: -|-

- Senco highlighted in its pre-quarter update that total revenue growth was 28%, with retail revenue growth at 24% and SSSG at 19%, led by Akshay Tritiya and key regional festivals.
- We expect EBITDA margin to sustain YoY at 7.6%.
- The company increased its store count to 186 in 1Q from 175 in 4QFY25.
- Gross margins are expected to contract 50bp YoY to 16.8%.

Consolidated Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Stores	165	166	171	175	186	189	192	194	175	194
Net Sales	14,039	15,005	20,460	13,777	17,970	16,655	23,938	15,626	63,281	74,189
Change (%)	7.5	30.9	23.8	21.1	28.0	11.0	17.0	13.4	20.7	17.2
Gross Profit	2,428	1,976	2,373	2,313	3,019	2,215	2,753	2,608	9,090	10,595
Gross Margin (%)	17.3	13.2	11.6	16.8	16.8	13.3	11.5	16.7	14.4	14.3
Operating Expenses	1,341	1,159	1,297	1,042	1,653	1,316	1,412	1,235	4,839	5,616
% of Sales	9.5	7.7	6.3	7.6	9.2	7.9	5.9	7.9	7.6	7.6
EBITDA	1,087	818	1,076	1,270	1,366	899	1,341	1,373	4,251	4,979
Margin (%)	7.7	5.4	5.3	9.2	7.6	5.4	5.6	8.8	6.7	6.7
Change (%)	61.8	107.1	-40.6	44.8	25.6	10.0	24.6	8.1	13.2	17.1
Interest	322	326	339	375	400	410	425	463	1,362	1,698
Depreciation	181	178	131	191	190	194	197	200	681	781
Other Income	123	149	127	147	150	150	150	150	546	600
PBT	708	462	732	851	926	446	868	861	2,754	3,101
Tax	195	117	190	226	233	112	219	217	729	781
Effective Tax Rate (%)	27.6	25.3	26.0	26.6	25.2	25.2	25.2	25.2	26.5	25.2
Adjusted PAT	513	345	542	624	693	334	649	644	2,024	2,319
Change (%)	85.3	188.7	-50.4	94.0	35.1	-3.3	19.8	3.1	11.8	14.6
PAT	513	121	335	624	693	334	649	644	1,593	2,319

E: MOFSL Estimates

Titan Company

Buy

CMP: INR3,700 | TP: INR4,250 (+15%)

EPS CHANGE (%): FY26 | FY27: -|-

- We model 22% standalone revenue growth (excl. bullion) and Tanishq LTL growth of 14% in 1QFY26.
- Caratlane business's revenue is expected to grow >20% and EBIT margin is expected to expand 200bp YoY to 7% in 1QFY26.
- Standalone Jewelry EBIT (ex-bullion) margin is expected to remain stable YoY at 11.2%.
- We expect healthy double-digit growth in watches, eyewear, and other businesses.

Consolidated Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	1,32,660	1,45,340	1,77,400	1,49,160	1,56,868	1,67,225	2,15,352	1,71,158	6,04,560	7,10,603
YoY change (%)	11.5	16.0	25.2	19.4	18.2	15.1	21.4	14.7	18.3	17.5
Gross Profit	29,300	33,020	39,100	34,010	36,864	38,462	50,608	41,058	1,35,430	1,66,992
Margin (%)	22.1	22.7	22.0	22.8	23.5	23.0	23.5	24.0	22.4	23.5
Total Exp	1,20,190	1,30,080	1,58,130	1,33,790	1,40,919	1,49,481	1,91,889	1,52,992	5,42,190	6,35,281
EBITDA	12,470	15,260	19,270	15,370	15,950	17,743	23,463	18,167	62,370	75,322
EBITDA growth %	10.8	8.2	23.1	29.1	27.9	16.3	21.8	18.2	17.9	20.8
Margin (%)	9.4	10.5	10.9	10.3	10.2	10.6	10.9	10.6	10.3	10.6
Depreciation	1,640	1,710	1,750	1,830	1,832	1,834	1,835	1,728	6,930	7,229
Interest	2,300	2,400	2,310	2,520	2,415	2,424	2,426	2,449	9,530	9,713
Other Income	1,200	1,220	1,280	1,160	1,380	1,403	1,408	1,398	4,860	5,589
PBT	9,730	12,370	16,490	12,180	13,083	14,888	20,610	15,388	50,770	63,969
Tax	2,580	3,064	4,034	3,470	3,336	3,797	5,256	3,924	13,147	16,312
Rate (%)	26.5	24.8	24.5	28.5	25.5	25.5	25.5	25.5	25.9	25.5
Adjusted PAT	7,150	9,307	12,456	8,710	9,747	11,092	15,354	11,464	37,623	47,657
YoY change (%)	-5.4	1.7	18.3	13.0	36.3	19.2	23.3	31.6	7.6	26.7
Extraordinary Income	0	2,277	1,986	0	0	0	0	0	4,263	0
Reported PAT	7,150	7,030	10,470	8,710	9,747	11,092	15,354	11,464	33,360	47,657

E: MOFSL Estimates

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