

# Tata Consumer Products

BSE SENSEX 82,445  
S&P CNX 25,103

**CMP: INR1121 TP: INR1360 (+21%) Buy**

## Strengthening position across all categories

Tata Consumer Products' (TATACONS) FY25 annual report highlights the management's strategic efforts to reinforce its foundation by broadening distribution reach and market presence, driving growth through portfolio expansion, pursuing new opportunities, and prioritizing innovation. The key takeaways are as follows:

- TATACONS has successfully balanced the Growth and Core businesses, maintaining leadership in Tea and Salt while expanding its Health and Wellness portfolio. Its Growth businesses, including Tata Sampann and Soulfull, now contribute 28% to total sales, driven by innovation and strong execution. Although the Tea segment was muted, the Salt segment remained robust, while newer categories showed strong traction and improvement in profitability.
- The company has shifted beyond its core businesses, building new F&B platforms through a strong innovation engine. With a 5x jump in innovation-led revenues since FY21 and 150 product launches over four years, the company's focus on consumer-centric innovation is paying off. In our view, this consistent product pipeline positions it well for long-term competitive advantages.
- The international business is gaining momentum, growing 16% in FY25 and contributing 29% to overall revenue. Strong performance in South Africa and the Middle East, along with market share gains in the UK and US, reflects successful innovation and brand expansion. This positions the company well as a competitive global F&B player.
- TATACONS is strategically unlocking value through smart acquisitions and robust distribution expansion. The integration of Organic India and Capital Foods has not only boosted growth and margins but also opened new channels, like Pharma Retail and Food Service. Additionally, its rapidly scaled distribution—reaching ~4.4m outlets—and the deployment of digital tools like MAVIC reflect a modern, data-driven approach to execution, setting a strong distribution network.
- TATACONS generated a CFO of INR20.6b in FY25 vs INR19.4b in FY24. It has been generating a positive CFO for over a decade, with an average run-rate of INR17b in the last five years. Additionally, it generated an FCF of ~INR16b in FY25, similar to FY24 (maintaining an average FCF run-rate of INR8.4b/INR14.1b over the last 10/five years).

## Strengthening core business while accelerating the growth business

- TATACONS has remained focused on accelerating its Growth business, while firmly maintaining its position in the Core business. The Tea business now holds a **20%** market share, with growth fueled by innovative product launches, impactful marketing, and strategic pricing.
- Tata Tea is also expanding its **Health and Wellness portfolio** with the launch of Tata Tea Premium Care, Instant Green Tea, and vitamin-infused Tata Tea Gold Vita Care. As the Packaged Tea segment continues to outpace the Loose Tea segment in market share, Tata Tea is expected to retain its position as one of the industry's leading brands.



### Stock Info

Bloomberg	TATACONS IN
Equity Shares (m)	989
M.Cap.(INRb)/(USDb)	1109.4 / 13
52-Week Range (INR)	1247 / 883
1, 6, 12 Rel. Per (%)	-4/18/-8
12M Avg Val (INR M)	1857
Free float (%)	66.2

### Financials Snapshot (INR b)

Y/E MARCH	2025	2026E	2027E
Sales	176.2	189.3	204.9
EBITDA	24.8	27.8	31.6
Adj. PAT	13.9	16.9	19.8
EBITDA Margin (%)	14.1	14.7	15.4
Cons. Adj. EPS (INR)	14.0	17.0	20.0
EPS Gr. (%)	-2.4	21.7	17.4
BV/Sh. (INR)	202.1	227.6	241.6

### Ratios

Net D:E	-0.1	-0.1	-0.2
RoE (%)	7.7	8.2	9.1
RoCE (%)	9.1	9.9	11.1
Payout (%)	46.6	38.1	32.5

### Valuations

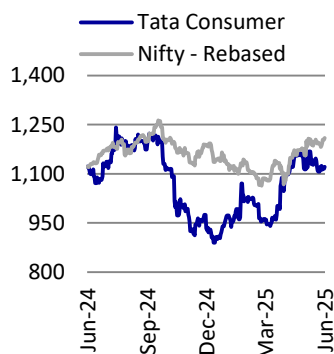
P/E (x)	80.1	65.8	56.1
EV/EBITDA (x)	41.2	36.4	31.5
Div. Yield (%)	0.6	0.6	0.6
FCF Yield (%)	1.4	1.4	1.8

### Shareholding pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	33.8	33.8	33.6
DII	22.0	19.5	17.4
FII	21.5	23.2	25.5
Others	22.7	23.5	23.6

FII Includes depository receipts

### Stock performance (one-year)



- The Core business was further supported by the Salt business. **Tata Salt** (India's leading salt brand) posted a strong **15%** revenue CAGR over FY20-25, supported by a **31%** growth in value-added salt revenue and **57%** volume growth in rock salt in FY25. This growth in the Salt segment led to a **30bp** increase in Tata Consumer's market share. The Salt business was a key contributor to the growth of the Indian Foods business.
- **Reaffirming its focus on accelerating the Growth business**, Tata Consumer's Growth business (which includes Tata Sampann, Ready-to-Drink (RTD), Tata Soufull, Tata SmartFoodz, Capital Foods, and Organic India) grew 18% YoY (organically) to over **INR32b** in revenue, leading to an increase in its contribution to total sales from **8%** in FY21 to **28%** in FY25.
- **The Tata Sampann** portfolio posted a 31% CAGR over FY21-25, reaching INR11b in revenue for the full year. This growth was driven by evolving consumer lifestyles and increased innovation in the product mix, as reflected in the innovation to sales ratio (i2s) rising to **8%** in FY25 from **2.8%** in FY23.
- Tata Sampann was also a key contributor to the Indian Food business, posting **double-digit growth** for the fifth consecutive year.
- **Tata Soufull** continued its strong growth trajectory, with revenue increasing 5x since its acquisition in Feb'21. The improvement in profitability profile was driven by various initiatives taken by the company to reduce manufacturing and freight costs. Soufull's reach has increased to over **0.6m outlets** from ~15,000 outlets at the time of its acquisition.
- **RTD** business grew 2% to INR8.4b in FY25, led by trade pricing actions, offset by a **13% increase in volumes during the same year**.
- The RTD business continued to strengthen its position in the hydration segment through **Tata Copper+**, which posted an **18% growth** for the full year.
- Strengthening its institutional partnerships, Tata Copper+ became the hydration partner of choice for the Air India Group, further enhancing its visibility.
- Tata Consumer has struck a commendable balance between nurturing its high-growth new-age portfolio and defending its dominance in core staples—**demonstrating that scale, innovation, and agility can successfully coexist within a legacy FMCG business**.

### Innovation to fuel growth momentum

- TATACONS has expanded beyond its core business and is now focused on building new F&B platforms. With innovation-led product revenue rising 5x since FY21, the company has clearly reaffirmed its commitment to continuous innovation.
- In FY25, the company launched three to four new products each month, increasing total new launches from 14 in FY21 to 41 in FY25 (**30% CAGR growth over FY21-25**).
- Over the last four years, the company has launched **150 products** to improve its market share and profitability.
- The growth portfolio has multiplied 10x over the past five years, demonstrating strong momentum. This performance is underpinned by a focus on innovation, with an **innovation to sales ratio of 5.2%** during the year.
- **Innovation remains central to the company's RTD strategy**, with a diverse product range meeting evolving consumer needs. Key innovations include exploring alkaline water in hydration, relaunching Tata Gluco Plus Sports Drink,

introducing Tetley Kombucha in the wellness segment, launching new flavors of Tata Gluco Plus Jelly in the kids' segment, and expanding its cold coffee offerings with Tata Coffee Grand Cold Coffee and cold brew variants.

### Driving profitable growth in international markets

- The international business grew **16%** to INR4.6b during the year, with EBITDA margins of 16.5%, led by notable growth in South Africa and the Middle East. It contributed **29%/40%** of the total revenue/EBIT mix in the branded business during FY25.
- **South Africa** delivered strong performance, driven by distribution gains and product innovation. Laager Plus CBD capitalized on the growing demand for functional beverages, while Tetley Chai Latte expanded consumer choices in the premium segment.
- **The Middle East** recorded consistent growth for the third consecutive year, supported by Tetley's market expansion into Saudi Arabia. Strategic activations, including in-store promotions and large-scale sampling, have increased consumer engagement. **The introduction of Tata Soufull and Tata Tea Kannan Devan has broadened the product portfolio.**
- **The UK business** grew **3%** during FY25, with EBIT growing 31%. This was driven by strong growth in Teapigs and Good Earth, supported by the company's extended distribution network.
- In the **US**, teapigs recorded exceptional growth with sales increasing 38.5% from its largest customer, the Wholesale Foods market. Meanwhile, Eight O'Clock Coffee's 'Have It Black' campaign helped maintain its stable market share in the US.
- The Canada business grew **5%** in FY25, led by the introduction of India-based world foods products aimed at **diversifying the portfolio beyond beverages.**

### Unlocking value through acquisitions

- On a combined basis, Capital Foods and Organic India posted healthy growth of **19% in FY25**, reaching INR11.7b with a gross margin of **49%**.
- The acquisition of **Organic India** has enabled Tata Consumer Products to develop a pharma channel that will not only strengthen Organic India's herbal supplements and infusions portfolio but also serve as a gateway for other relevant brands from Tata Consumer Products' portfolio. A structured rollout of this channel is currently underway across 40 markets.
- The company has accelerated Organic India's growth in international markets through stronger e-commerce execution in the US. It has also established a presence in key pharmacy chains such as Medplus, Wellness Forever, and Noble Plus.
- The company has expanded its **Capital Foods** portfolio by foraying into adjacencies such as Schetzwan ketchup, Siracha sauce, and Momo chutney, catering to the growing demand for bold, spicy flavors.
- The Food Service channel, catering to HoReCa (Hotels, Restaurants, and Cafés), corporate canteens, and B2B partners, is a key focus area for expanding the Capital Foods portfolio. The company is actively engaging with key institutional buyers to scale partnerships and drive sustained growth.

### Strengthening distribution reach and presence to accelerate core growth

- TATACONS has rapidly expanded its direct reach to ~2m outlets as of FY25, nearly quadrupling its network from ~0.7m outlets in FY21. Further, its total reach has expanded to ~4.4m outlets from ~2m outlets in FY21.
- Modern Trade and E-commerce have been instrumental in driving the company's growth. Modern Trade/E-commerce grew ~18%/57% in FY25, leading alternate channels to contribute ~34% of revenue in the India business—a notable increase from ~19% revenue contribution in FY21.
- Additionally, e-commerce has emerged as a key launchpad for new products, contributing ~15% to i2s within the channel. This has enabled faster concept validation and refinement.
- The company has strengthened its distributor management system through the rollout of **MAVIC**—its next-generation Go-To-Market platform—which provides real-time market intelligence and key insights into distributor sales and retail shelf activity. 100% of the MAVIC rollout has been completed within four months across 3,500+ distributors and 10,000+ sub distributors.
- To enhance execution in large cities, the company introduced split salesman routes across metros and towns with populations exceeding 0.5m.

### Valuation and view

- TATACONS is pursuing a two-pronged growth strategy: 1) advancing new growth drivers like Tata Sampann, Tata Soulfull, and the ready-to-eat/ready-to-consume segments, while simultaneously reinforcing its core business; and 2) aggressively expanding its distribution network and leveraging digital capabilities across the supply chain to propel the next phase of growth.
- We expect a revenue/EBITDA/PAT CAGR of 8%/13%/20% over FY25-27 and arrive at our SoTP-based TP of INR1360. We reiterate our BUY rating.

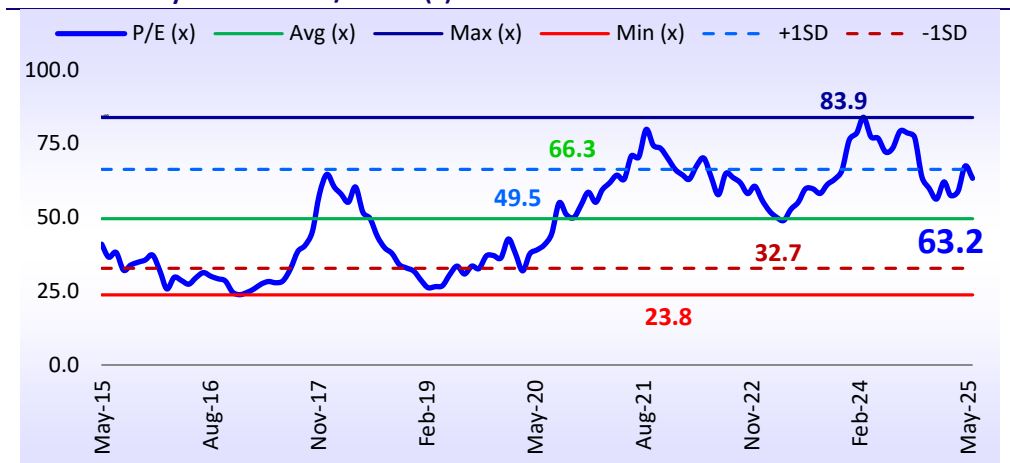
### Exhibit 1: Valuation table

EV/EBITDA	FY27 EBITDA	Multiple (x)	EV
India Branded Business*	23,192	44	10,16,961
Coffee India (ex-Starbucks)	1,411	12	16,935
Coffee Overseas	4,234	14	59,282
Overseas tea (Tetley UK)	2,765	14	38,706
Capital Foods (75% holding)	1,631	40	65,257
Organic India	589	35	20,631
<b>DCF</b>			
Starbucks JV			90,931
<b>Enterprise value</b>			<b>13,08,704</b>
Less: Net debt			(36,856)
<b>Market value (INRm)</b>			<b>13,45,559</b>
No. of shares (m)			990
<b>Target price (INR)</b>			<b>1,360</b>

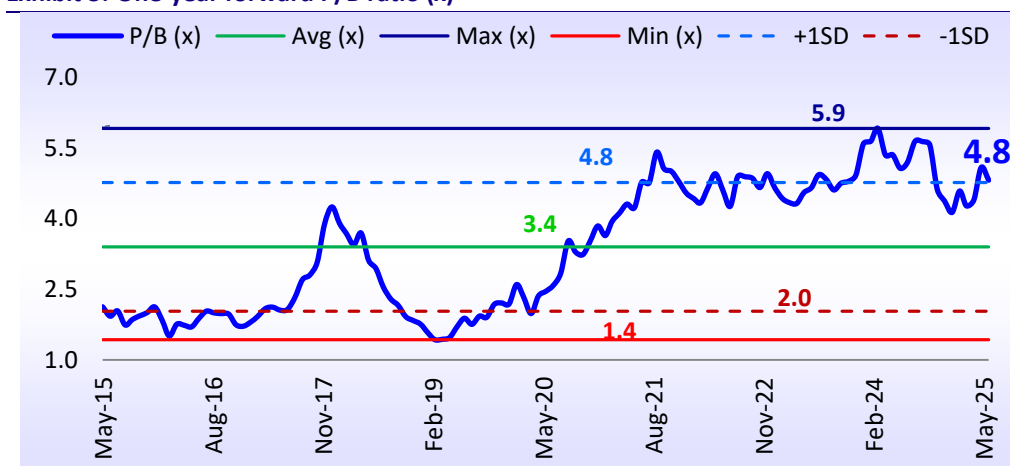
\*includes Tea, Nourishco, Salt, and other food products

Source: MOFSL

**Exhibit 2: One-year forward P/E ratio (x)**

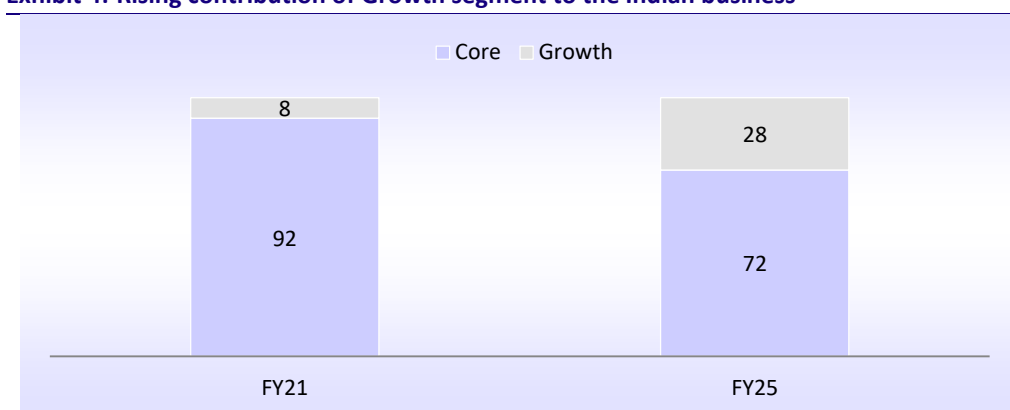


**Exhibit 3: One-year forward P/B ratio (x)**



Source: Company, MOFSL

**Exhibit 4: Rising contribution of Growth segment to the Indian business**



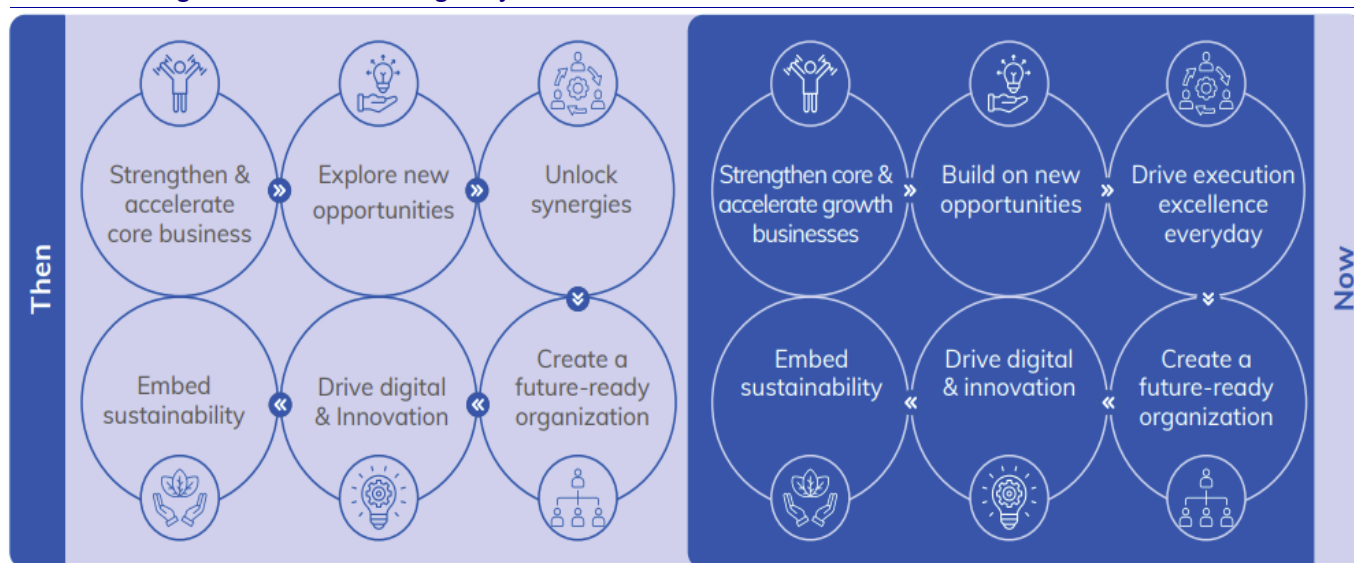
Source: Company, MOFSL

**Exhibit 5: TATACONS growth engines**



Source: Company, MOFSL

**Exhibit 6: Change in TATACONS' strategic objectives**



Source: Company, MOFSL

### Key highlights from the desk of Mr. N. Chandrasekaran, Chairman

- TATACONS is aligning with evolving consumption patterns such as premiumization, health & wellness, and convenience. It is targeting Gen Zs and Millennials, who are projected to drive 76% of consumption by 2030 with products like cooking aids, packaged food, and mini meals.
- The company strengthened its core business (tea and salt) while expanding through acquisitions like Organic India and Capital Foods. Its growth businesses now contribute INR32b to revenue and represent **28% of the India business**, highlighting a successful portfolio transformation.
- Tata Consumer enhanced its **sales and distribution reach to 4.4m retail outlets**, implemented a next-generation distributor management system, and invested in e-commerce, modern trade, pharmacy, and HoReCa channels. Artificial intelligence and machine learning have been integrated into its supply chain to improve efficiency and demand forecasting.
- Deeply embedded in the company's ethos, sustainability efforts focus on sourcing, planet, community, and nutrition. Through Tata Group's 'Project Aalingana', the company is driving initiatives in climate adaptation, circular economy, and community upliftment, aiming to achieve its ambitious FY26 targets.



### Key highlights from the desk of Mr. Sunil D'Souza, MD and CEO

- Over the last five years, the company's portfolio has grown across multiple categories—tea, coffee, water, RTD, food staples, breakfast cereals, snacks, mini meals, cooking aids, condiments, and herbal supplements—positioning it well to cater to evolving consumer needs and aspirations.
- While strengthening its core businesses (tea, coffee, salt), the company has added multiple growth vectors—Sampann (pantry staples), NourishCo Beverages (RTD), Tata Soulfull (millet-based snacks and mini meals), and the recent acquisitions of Capital Foods and Organic India.
- To cater to the health & wellness trend, the company further strengthened its Beverage portfolio this fiscal year with the launch of Tata Tea Gold Vita Care (vitamin-enriched black tea), Immuno Chai (to help support the immune system), and instant mix Tetley Green Tea in low unit price packs to democratize green tea.
- In the Foods business, Tata Sampann continued its high-growth trajectory while expanding into white spaces such as dry fruits and other pantry staples. Tata Soulfull, with its millet-based product range known for nutritional benefits, has also expanded into new categories such as no-maida rusk and millet cornflakes.
- In the International business, the company expanded its premium offerings with a range of Tetley black teas inspired by Britain's favorite baked treats, a Ceylon and Kenyan tea blend from teapigs, a super-premium range, and Tetley Chai Latte—a convenient instant spiced tea.

### Exhibit 7: TATACONS' strong innovation capabilities

#### Scaling Innovation

5.2%  
innovation to sales ratio

5X  
innovation revenue  
vs FY21

On average  
3 to 4 new  
launches per  
month in FY 25

15%  
Disruptive innovation

150  
launches in four years

sustaining a strong pipeline  
of innovative products

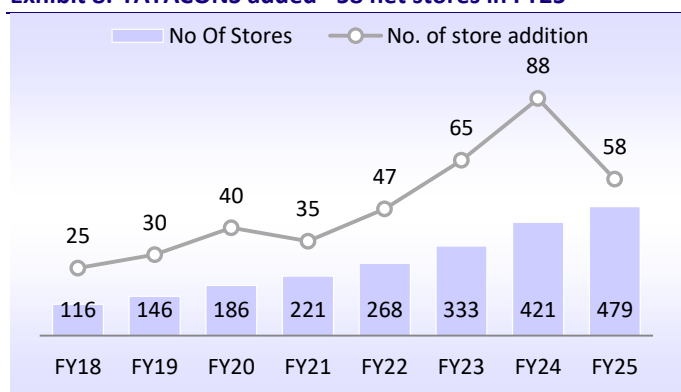
Source: Company, MOFSL

- The company has strengthened its R&D capability through science-backed disruptive innovation, resulting in differentiated products such as Tata Sampann's easy cook range, Tetley's instant green tea in powder format, and Tata Soulfull's no maida rusk with millets and cornflakes with millets.

## Starbucks – Increase in store count to support future growth

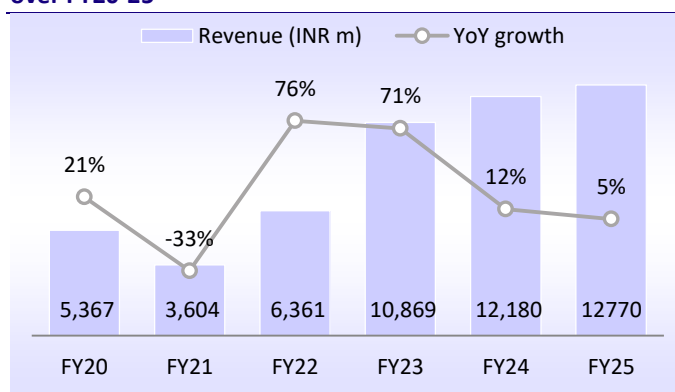
- Starbucks added 58 net new stores in FY25 (the highest ever annual addition to the store count), bringing the total number to 479 stores, spread across 80 cities in India.
- Revenue grew 5% in FY25, while profitability remained muted due to subdued growth in the QSR space.
- The company achieved a significant milestone with the opening of its 100<sup>th</sup> store in Mumbai.
- The company remains committed to reaching 1,000 outlets by FY28.

**Exhibit 8: TATACONS added ~58 net stores in FY25**



Source: Company, MOFSL

**Exhibit 9: Starbucks clocked robust (19%) revenue CAGR over FY20-25**



Source: Company, MOFSL

## Financial highlights

### Strong operating cash flow generation

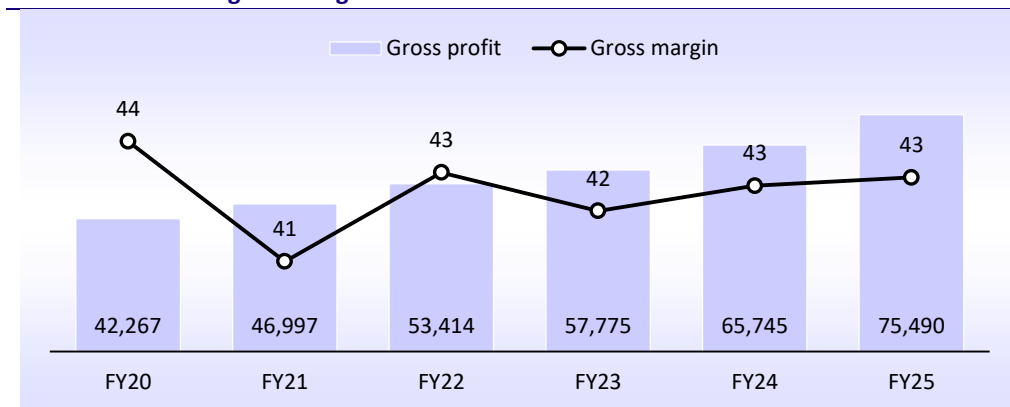
- TATACONS generated a CFO of INR20.6b in FY25 vs INR19.4b in FY24. It has been generating positive CFO for over a decade, with an average run-rate of INR17b in the last five years.
- CFO/EBITDA stood at 83% in FY25 (vs 86% in FY24). The five-year average CFO/EBITDA stood at 89% over FY21-25. Strong cash generation led to a significant investment in capex.
- TATACONS incurred a capex of INR4.6b in FY25 vs INR3.3b in FY24. The company has maintained an average capex run-rate of INR2.7b/INR3.2b over the last 10/five years.
- Accordingly, TATACONS generated an FCF of ~INR16b in FY25, similar to FY24 (maintaining an average FCF run-rate of INR8.4b/INR14.1b over the last 10/five years).

### Margins

- Gross margin stood at 42.8% in FY25 vs 42.6% in FY24.
- EBITDA margin contracted 50bp YoY to 14.1% in FY25, led by an increase in employee cost as a % of sales from 7.7% in FY24 to 8.1% in FY25.



**Exhibit 10: Trend in gross margin**

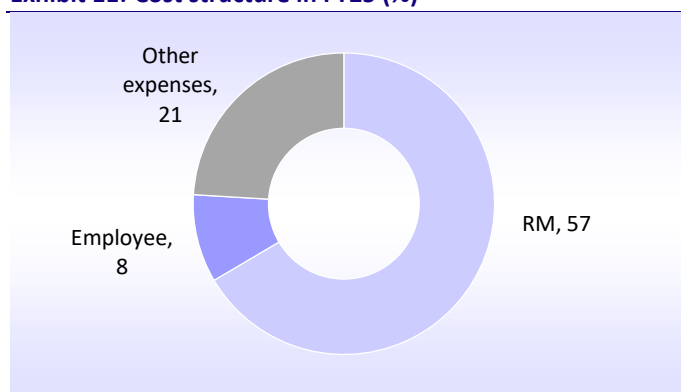


Source: Company, MOFSL

### Cost structure

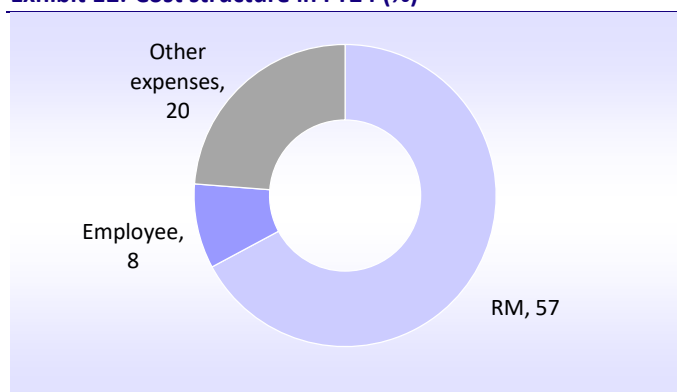
- In FY23, RM cost declined 20bp from FY24 to 57.2% (as a percentage of sales), while employee cost increased 40bp YoY to 8.1% (as a percentage of sales).
- Other expenses increased 40bp to 20.7% (as a percentage of sales).

**Exhibit 11: Cost structure in FY25 (%)**



Source: Company, MOFSL

**Exhibit 12: Cost structure in FY24 (%)**



Source: Company, MOFSL

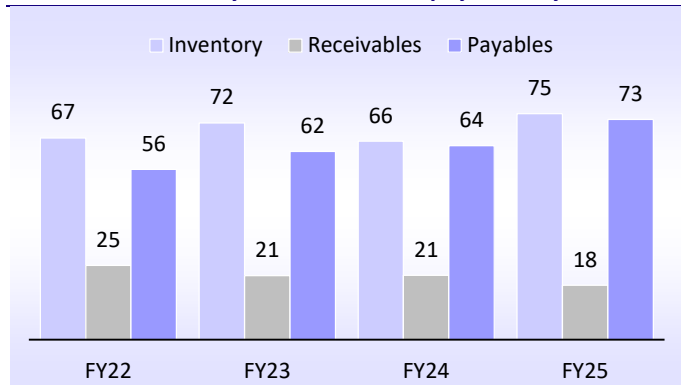
### Employee cost and salaries

- As a percentage of sales, employee cost increased 40bp YoY to 8.1% vs 7.7% in FY24.
- The average percentage increase in salary was 10.2% for non-managerial personnel and 12.6% for all employees, while managerial remuneration rose by 28.4% on a like-for-like basis.
- The overall managerial remuneration for all Directors was 1.50% of the net profit for FY25.
- The number of permanent employees rose to 2,985 in FY25 (vs 1,739 in FY24).

## Working capital

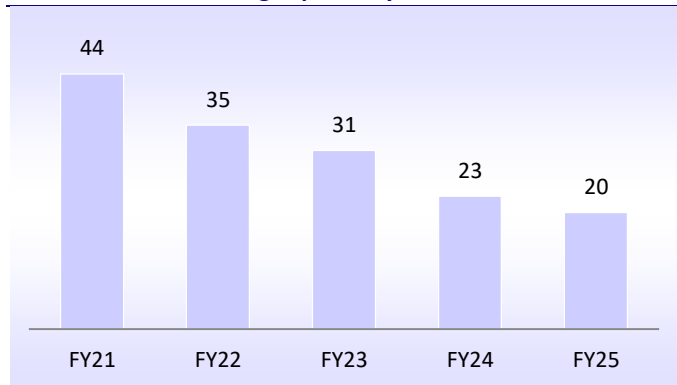
- TATACONS' net working capital days improved to 20 days in FY25 from ~23 days in FY24 and the five-year average of ~30 days (FY21-25).
- Debtors' days declined by three days, while creditors' days/inventory days increased by nine days.

**Exhibit 13: Inventory, receivable, and payable days**



Source: Company, MOFSL

**Exhibit 14: Net working capital days**



Source: Company, MOFSL

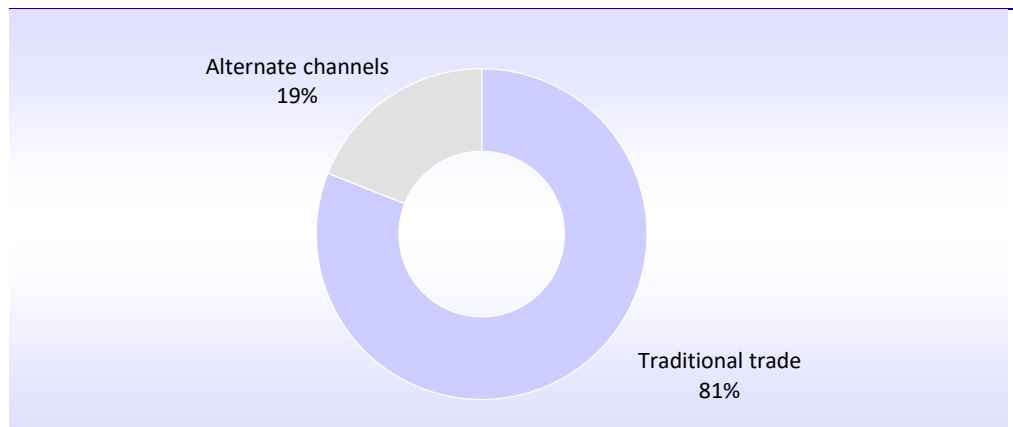
## Other Exhibits

**Exhibit 15: TATACONS' product portfolio**



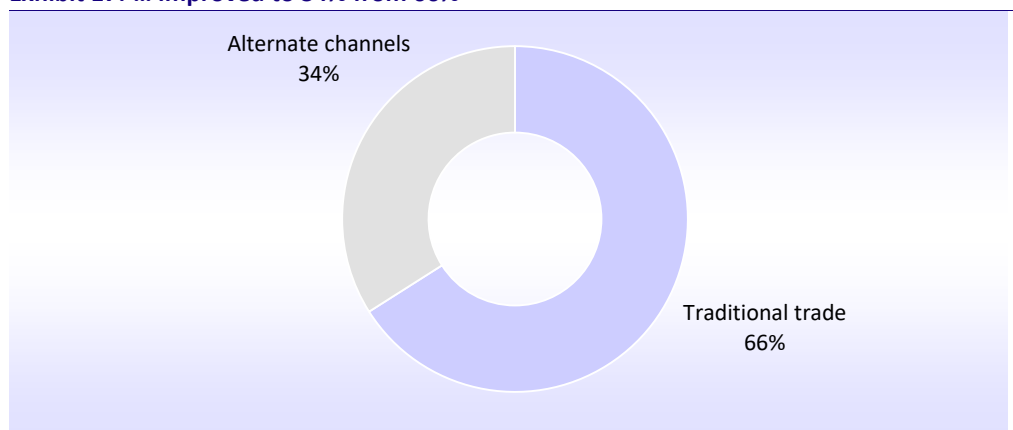
Source: Company, MOFSL

**Exhibit 16: Contribution of alternate channels to sales...**



Source: Company, MOFSL

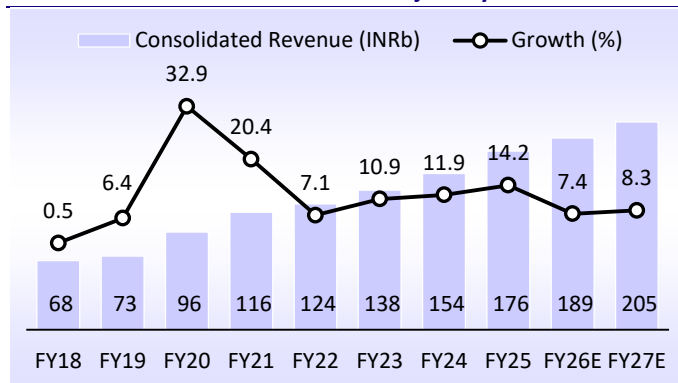
**Exhibit 17: ... improved to 34% from 66%**



Source: Company, MOFSL

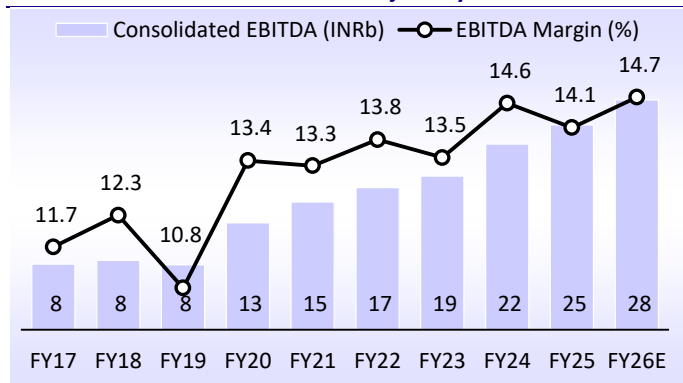
## Story in Chart

**Exhibit 18: Consolidated revenue trajectory**



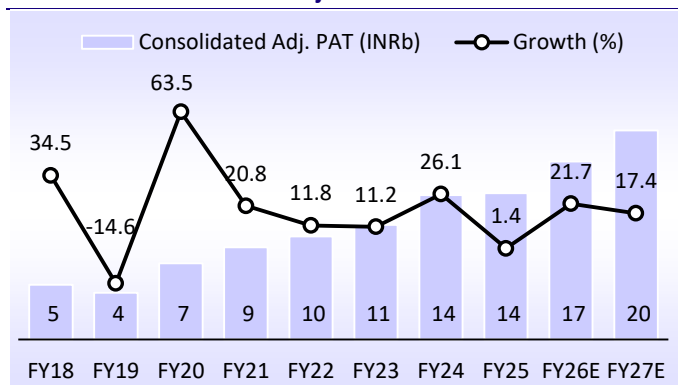
Source: Company, MOFSL

**Exhibit 19: Consolidate EBITDA trajectory**



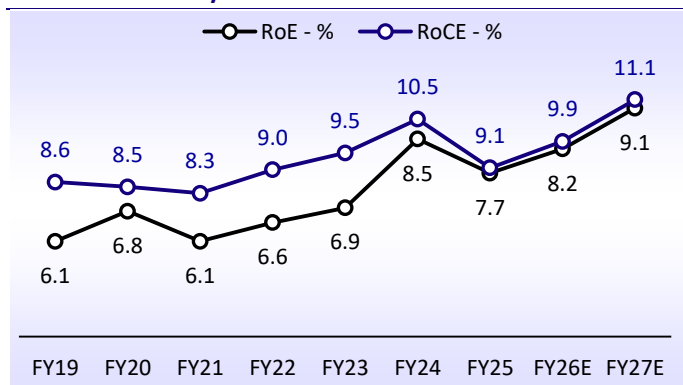
Source: Company, MOFSL

**Exhibit 20: Consolidated Adj. PAT trend**



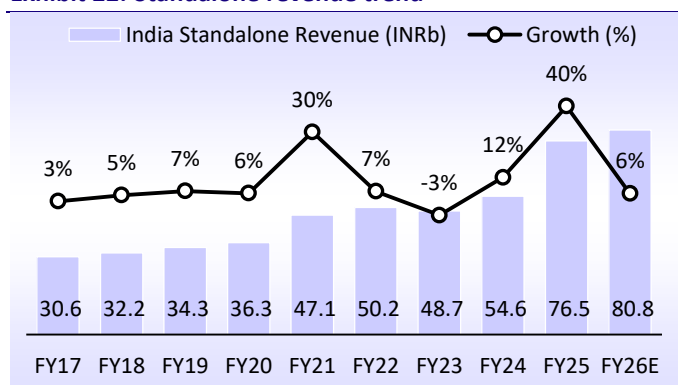
Source: Company, MOFSL

**Exhibit 21: Healthy return ratios**



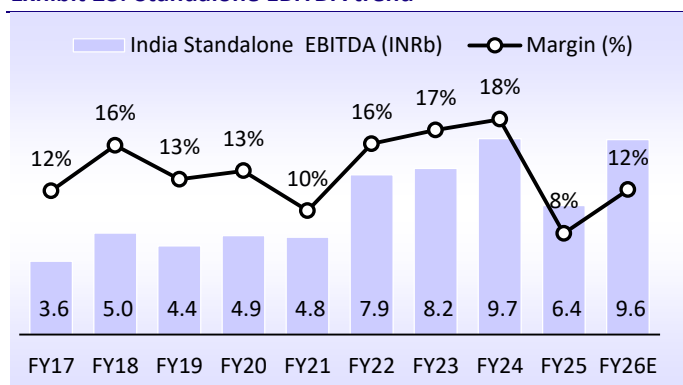
Source: Company, MOFSL

**Exhibit 22: Standalone revenue trend**



Source: Company, MOFSL

**Exhibit 23: Standalone EBITDA trend**



Source: Company, MOFSL

## Financials and valuations

### Consolidated Income Statement

(INR b)

Y/E March	2019	2020	2021	2022	2023	2024	2025	2026E	2027E
<b>Net Sales</b>	<b>72.5</b>	<b>96.4</b>	<b>116.0</b>	<b>124.3</b>	<b>137.8</b>	<b>154.3</b>	<b>176.2</b>	<b>189.3</b>	<b>204.9</b>
Change (%)	6.4	32.9	20.4	7.1	10.9	11.9	14.2	7.4	8.3
<b>Gross Profit</b>	<b>32.4</b>	<b>42.3</b>	<b>47.0</b>	<b>53.4</b>	<b>57.8</b>	<b>65.7</b>	<b>75.5</b>	<b>89.1</b>	<b>95.7</b>
Margin (%)	44.7	43.9	40.5	43.0	41.9	42.6	42.8	47.1	46.7
Other operating exp.	24.6	29.3	31.6	36.2	39.2	43.3	50.7	61.3	64.1
<b>EBITDA</b>	<b>7.9</b>	<b>12.9</b>	<b>15.4</b>	<b>17.2</b>	<b>18.6</b>	<b>22.5</b>	<b>24.8</b>	<b>27.8</b>	<b>31.6</b>
Margin (%)	10.8	13.4	13.3	13.8	13.5	14.6	14.1	14.7	15.4
Depreciation	1.2	2.4	2.5	2.8	3.0	3.7	6.0	6.1	6.3
Net Interest	0.5	0.8	0.7	0.7	0.9	1.3	2.9	1.2	1.0
Other income	1.6	1.1	1.2	1.4	1.7	2.5	1.9	2.0	2.2
<b>PBT before EO</b>	<b>7.7</b>	<b>10.8</b>	<b>13.4</b>	<b>15.1</b>	<b>16.3</b>	<b>19.9</b>	<b>17.8</b>	<b>22.5</b>	<b>26.4</b>
EO income/(exp.)	-0.3	-2.7	-0.3	-0.5	1.6	-3.3	-0.1	0.0	0.0
PBT after EO	7.3	8.1	13.1	14.6	17.9	16.7	17.8	22.5	26.4
Tax	2.6	2.7	3.2	3.8	4.5	3.9	4.0	5.7	6.7
Rate (%)	35.5	33.9	24.2	25.9	24.9	23.7	22.3	25.2	25.2
Minority and Associates	0.7	0.8	1.4	1.4	1.4	1.5	1.0	0.9	0.7
<b>Reported PAT</b>	<b>4.1</b>	<b>4.6</b>	<b>8.6</b>	<b>9.4</b>	<b>12.0</b>	<b>11.2</b>	<b>13.8</b>	<b>16.9</b>	<b>19.8</b>
<b>Adjusted PAT</b>	<b>4.4</b>	<b>7.2</b>	<b>8.7</b>	<b>9.7</b>	<b>10.8</b>	<b>13.7</b>	<b>13.9</b>	<b>16.9</b>	<b>19.8</b>
Change (%)	-14.6	63.5	20.8	11.8	11.2	26.1	1.4	21.7	17.4

### Balance Sheet

(INR b)

Y/E March	2019	2020	2021	2022	2023	2024	2025	2026E	2027E
Share Capital	0.6	0.9	0.9	0.9	0.9	1.0	1.0	1.0	1.0
Reserves	72.7	137.2	144.4	150.5	161.8	159.6	199.0	208.8	221.7
<b>Net Worth</b>	<b>73.3</b>	<b>138.1</b>	<b>145.3</b>	<b>151.4</b>	<b>162.8</b>	<b>160.6</b>	<b>200.0</b>	<b>209.8</b>	<b>222.7</b>
Minority Interest	10.3	10.9	10.9	11.5	8.5	13.8	13.9	14.2	14.6
Loans	11.4	12.6	12.1	10.1	11.8	29.5	18.5	13.5	13.5
<b>Capital Employed</b>	<b>95.0</b>	<b>161.6</b>	<b>168.3</b>	<b>173.0</b>	<b>183.1</b>	<b>203.9</b>	<b>232.4</b>	<b>237.5</b>	<b>250.7</b>
Gross Block	27.7	59.1	61.8	66.7	71.7	113.9	131.1	135.1	139.1
Less: Accum. Deprn.	16.4	18.8	21.4	24.2	27.2	30.9	36.9	43.0	49.3
<b>Net Fixed Assets</b>	<b>11.3</b>	<b>40.3</b>	<b>40.4</b>	<b>42.5</b>	<b>44.5</b>	<b>83.0</b>	<b>94.2</b>	<b>92.1</b>	<b>89.8</b>
Capital WIP	4.2	1.0	1.1	4.6	5.1	4.0	4.3	4.3	4.3
Goodwill & Intangibles	37.9	73.3	76.0	77.5	80.3	103.3	113.3	113.3	113.3
Investments	6.0	4.9	4.8	6.0	6.8	6.3	6.8	6.2	5.9
<b>Curr. Assets</b>	<b>49.4</b>	<b>65.3</b>	<b>79.9</b>	<b>80.1</b>	<b>91.0</b>	<b>82.1</b>	<b>99.7</b>	<b>108.6</b>	<b>127.5</b>
Inventories	16.1	17.1	22.5	22.7	27.0	27.7	36.0	37.3	40.4
Account Receivables	6.8	9.2	7.6	8.4	8.0	9.0	8.7	11.4	12.4
Cash and Bank Balance	16.2	24.6	34.0	28.0	35.5	26.9	31.1	35.8	50.3
Others	10.3	14.4	15.8	21.1	20.5	18.5	23.9	24.1	24.4
<b>Curr. Liability &amp; Prov.</b>	<b>12.8</b>	<b>20.1</b>	<b>28.4</b>	<b>30.2</b>	<b>36.4</b>	<b>58.4</b>	<b>65.5</b>	<b>66.7</b>	<b>69.7</b>
Account Payables	6.6	9.4	16.3	19.2	23.5	27.1	35.1	36.3	39.3
Other liabilities	4.1	7.9	9.2	8.6	10.5	27.4	26.9	26.9	26.9
Provisions	2.0	2.8	2.9	2.5	2.4	3.9	3.6	3.6	3.6
<b>Net Curr. Assets</b>	<b>36.6</b>	<b>45.2</b>	<b>51.5</b>	<b>49.8</b>	<b>54.6</b>	<b>23.7</b>	<b>34.2</b>	<b>41.9</b>	<b>57.8</b>
Def. tax liability	1.0	3.0	5.5	7.5	8.1	16.5	20.4	20.4	20.4
<b>Appl. of Funds</b>	<b>95.0</b>	<b>161.6</b>	<b>168.3</b>	<b>173.0</b>	<b>183.1</b>	<b>203.9</b>	<b>232.4</b>	<b>237.5</b>	<b>250.7</b>

## Financials and valuations

### Ratios

Y/E March	2019	2020	2021	2022	2023	2024	2025	2026E	2027E
<b>Basic (INR)</b>									
<b>EPS</b>	<b>4.6</b>	<b>7.6</b>	<b>9.1</b>	<b>10.2</b>	<b>11.4</b>	<b>14.3</b>	<b>14.0</b>	<b>17.0</b>	<b>20.0</b>
Cash EPS	5.7	9.7	11.4	12.7	14.0	17.5	20.1	24.9	28.3
BV/Share	74.1	139.6	146.9	153.0	164.5	162.3	202.1	227.6	241.6
DPS	2.5	2.7	4.1	6.1	6.1	6.5	6.5	6.5	6.5
Payout (%)	38.7	54.1	43.6	59.6	46.7	55.2	46.6	38.1	32.5
Dividend yield (%)	0.2	0.2	0.4	0.5	0.5	0.6	0.6	0.6	0.6
<b>Valuation (x)</b>									
P/E	241.9	148.0	122.5	109.6	98.5	78.2	80.1	65.8	56.1
Cash P/E	196.7	115.1	98.5	88.5	79.9	63.9	55.8	45.0	39.6
P/BV	15.1	8.0	7.6	7.3	6.8	6.9	5.5	4.9	4.6
EV/Sales	14.2	10.6	8.7	8.2	7.3	6.7	5.8	5.3	4.9
EV/EBITDA	130.8	79.0	65.5	59.1	54.4	46.1	41.2	36.4	31.5
Dividend Yield (%)	0.2	0.2	0.4	0.5	0.5	0.6	0.6	0.6	0.6
FCF per share	-1.1	10.0	15.7	13.5	12.4	16.8	16.1	15.4	20.1
<b>Return Ratios (%)</b>									
RoE	6.1	6.8	6.1	6.6	6.9	8.5	7.7	8.2	9.1
RoCE	8.6	8.5	8.2	8.9	9.5	10.5	9.1	9.9	11.1
RoIC	9.8	11.5	10.9	10.5	11.2	12.1	10.5	11.3	13.1
<b>Working Capital Ratios</b>									
Fixed Asset Turnover (x)	6.4	2.4	2.9	2.9	3.1	1.9	1.9	2.1	2.3
Asset Turnover (x)	0.8	0.6	0.7	0.7	0.8	0.8	0.8	0.8	0.8
Debtor (Days)	34	35	24	25	21	21	18	22	22
Creditor (Days)	33	36	51	56	62	64	73	70	70
Inventory (Days)	81	65	71	67	72	66	75	72	72
<b>Leverage Ratio (x)</b>									
Net Debt/Equity	-0.1	-0.1	-0.2	-0.1	-0.1	0.0	-0.1	-0.1	-0.2

### Cash flow statement

(INRb)

Y/E March	2019	2020	2021	2022	2023	2024	2025	2026E	2027E
<b>EBITDA</b>	<b>7.9</b>	<b>12.9</b>	<b>15.4</b>	<b>17.2</b>	<b>18.6</b>	<b>22.5</b>	<b>24.8</b>	<b>27.8</b>	<b>31.6</b>
Prov. & FX	0.0	-0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0
WC	-2.3	-0.6	3.1	2.0	0.3	1.9	0.0	-2.9	-1.1
Others	-0.8	1.4	1.2	-0.3	0.2	-1.2	-0.2	0.0	0.0
Direct taxes (net)	-2.6	-2.7	-3.2	-3.8	-4.5	-3.9	-4.0	-5.7	-6.7
<b>CF from Op. Activity</b>	<b>2.1</b>	<b>10.8</b>	<b>16.6</b>	<b>15.2</b>	<b>14.6</b>	<b>19.4</b>	<b>20.6</b>	<b>19.3</b>	<b>23.9</b>
Capex	-2.8	-1.6	-2.1	-2.7	-3.1	-3.3	-4.6	-4.0	-4.0
<b>FCFF</b>	<b>-0.7</b>	<b>9.2</b>	<b>14.5</b>	<b>12.4</b>	<b>11.5</b>	<b>16.0</b>	<b>16.0</b>	<b>15.3</b>	<b>19.9</b>
Interest/dividend	0.5	0.6	0.7	0.9	1.2	1.9	1.2	2.0	2.2
Investments in subs/assoc.	-0.4	-0.2	-2.2	-7.4	-2.0	-38.8	-19.3	0.0	0.0
Others	3.4	-5.5	-0.5	-4.0	-4.4	21.0	-0.8	0.0	0.0
<b>CF from Inv. Activity</b>	<b>0.7</b>	<b>-6.7</b>	<b>-4.1</b>	<b>-13.2</b>	<b>-8.3</b>	<b>-19.3</b>	<b>-23.5</b>	<b>-2.0</b>	<b>-1.8</b>
Share capital	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Borrowings	0.4	0.3	-0.6	-4.9	0.0	12.5	-11.6	-5.0	0.0
Finance cost	-0.4	-0.7	-0.7	-0.6	-0.8	-1.2	-2.6	-1.2	-1.0
Dividend	-2.2	-2.2	-2.7	-4.0	-5.7	-8.1	-7.4	-6.4	-6.4
Others	-2.5	6.9	0.9	1.6	7.8	-11.9	28.8	0.0	0.0
<b>CF from Fin. Activity</b>	<b>-4.7</b>	<b>4.3</b>	<b>-3.0</b>	<b>-7.9</b>	<b>1.2</b>	<b>-8.6</b>	<b>7.1</b>	<b>-12.6</b>	<b>-7.4</b>
<b>(Inc)/Dec in Cash</b>	<b>-1.9</b>	<b>8.4</b>	<b>9.4</b>	<b>-6.0</b>	<b>7.5</b>	<b>-8.6</b>	<b>4.2</b>	<b>4.7</b>	<b>14.6</b>
Opening balance	18.1	16.2	24.6	34.0	28.0	35.5	26.9	31.1	35.8
<b>Closing balance (as per B/S)</b>	<b>16.2</b>	<b>24.6</b>	<b>34.0</b>	<b>28.0</b>	<b>35.5</b>	<b>26.9</b>	<b>31.1</b>	<b>35.8</b>	<b>50.3</b>

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