

Healthy topline to sustain in 2H; earnings to see improvement

Consumer Goods ▶ Result Update ▶ November 15, 2025

CMP (Rs): 739 | TP (Rs): 850

We retain **BUY** on Marico, with Sep-26E TP of Rs850, on 50x P/E, as we maintain that the company would continue clocking better volumes backed by execution. In Q2, its core portfolio saw weak volume owing to healthy pricing, while new businesses continued to aid the company in attaining 7% volume growth. Given the sharp inflation in copra prices, gross margin contracted by 810bps YoY (to 42.6%), though the positive operating leverage helped containing EBITDA margin contraction at 350bps (to 16.1%). Copra prices, after correcting 15% from the Jul-peak, have been stable. We expect prices to be steady, with limited seasonal arrivals (next flush expected from Mar-26). Factoring this in, we lift our revenue and cut our margin expectations for FY26.

Healthy pricing in Parachute helped the >30% growth in Q2

Marico has reported 31% consol revenue growth. Domestic business (77% of consol revenue) saw 35% growth, with 7% volume growth. In Parachute, the company saw 59% growth with 62% price growth. The VAHO portfolio saw 16% growth, with double-digit volume growth (with higher salience of the premium portfolio). Saffola edible oil saw 19% price-driven growth. The Foods portfolio saw 12% growth – growth is likely to be slow in Q3, affected by focus on profitability driving strategic actions and expected to revive from Q4. Overall, Foods saw an ARR of over Rs11bn. Premium personal care saw an annual revenue run-rate expanding from Rs3bn to Rs3.25bn. The digital first portfolio has crossed annual revenue run-rate of Rs10bn vs Rs8.5bn in Q1FY26 and Rs5.25bn in Q2FY25. International revenue saw 19% growth, with constant currency growth at 22% for Bangladesh and 27% for MENA. The company has largely maintained its growth aspirations and sees healthy growth in 2HFY26.

Inflationary copra hurt margin delivery; adj PAT growth at 8% in Q2

With Parachute contributing ~29% to consol revenue (MRCO saw 113% YoY copra price inflation, per the **Coconut Development Board**), the company reported 815bps YoY consol gross margin contraction. Given the healthy price-driven topline growth, we expect positive operating leverage to aid in containing EBITDA margin contraction at 350bps YoY to 16.1%. Ahead, we see moderate improvement in margin from a slight easing in copra prices. Post-season, we now see copra prices remaining elevated and easing from Mar-26E. This will help Marico's competitive position, where it can sustain healthy topline growth and gradually build margins, keeping competition at bay. As the new initiatives improve profitability, we believe the overall margin would see a positive shift.

Focus on execution – 2H outlook better; maintain BUY

We continue to see thrust on execution (refer to **AR FY25 analysis**), where Marico is looking to protect and accelerate structural growth despite headwinds. We like Marico, given its attentiveness to align the business with evolving consumer needs. Additionally, focus on profitable growth is likely to help reduce dependence on profit.

Target Price – 12M	Sep-26
Change in TP (%)	-
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	15.0

Stock Data	MRCO IN
52-week High (Rs)	761
52-week Low (Rs)	578
Shares outstanding (mn)	1,297.9
Market-cap (Rs bn)	959
Market-cap (USD mn)	10,804
Net-debt, FY26E (Rs mn)	(8,301.8)
ADTV-3M (mn shares)	2
ADTV-3M (Rs mn)	1,292.8
ADTV-3M (USD mn)	14.6
Free float (%)	40.8
Nifty-50	25,910.1
INR/USD	88.7

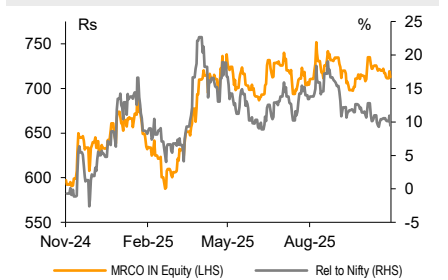
Shareholding, Sep-25

Promoters (%)	58.9
FPIs/MFs (%)	24.2/12.0

Price Performance

(%)	1M	3M	12M
Absolute	4.3	4.0	24.7
Rel. to Nifty	1.2	(1.2)	13.3

1-Year share price trend (Rs)



Marico: Financial Snapshot (Consolidated)

Y/E March (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue	96,530	108,310	135,874	138,156	151,423
EBITDA	20,260	21,390	23,309	28,266	31,728
Adj. PAT	14,810	16,290	17,753	21,249	23,588
Adj. EPS (Rs)	11.5	12.6	13.8	16.5	18.3
EBITDA margin (%)	21.0	19.7	17.2	20.5	21.0
EBITDA growth (%)	11.9	5.6	9.0	21.3	12.3
Adj. EPS growth (%)	13.7	10.0	9.0	19.7	11.0
RoE (%)	38.8	41.7	43.1	47.7	48.5
RoIC (%)	55.5	51.2	52.8	61.5	67.3
P/E (x)	64.3	58.5	53.7	44.8	40.4
EV/EBITDA (x)	46.7	44.2	40.6	33.5	29.8
P/B (x)	24.9	24.0	22.3	20.5	18.8
FCFF yield (%)	1.3	1.3	1.6	2.1	2.2

Source: Company, Emkay Research

Nitin Gupta

nitin.gupta@emkayglobal.com
+91-22-66121257

Mohit Dodeja

mohit.dodeja@emkayglobal.com
+91-22-66242481

Management commentary

- Demand trends were steady through Jul–Aug, with Sep seeing GST-related disruption; early-October also faced transition impact, leading to a modest quarterly drag.
- LUP contribution is stable, with marginal shifts in Parachute and Shanti Amla, driven by inflation-led ml-age recalibration and category dynamics.
- Project Setu continues to strengthen distribution, expanding coverage, reducing wholesale dependence, and driving high-velocity growth in Parachute, Nihar, and Shanti Amla.
- Setu also enables a richer 'range-selling' in VAHO, boosts rural–urban execution gaps in Parachute, and sharpens focus on chemist and food outlets where the company was historically under-indexed.
- Distribution productivity is improving through automation, tighter indirect coverage, range rationalization, and calibrated reallocation of spends from BTL to ATL.
- Q-commerce doubled YoY and remains a meaningful incremental contributor, especially for premium formats and younger brands.
- Parachute saw robust revenue traction despite flattish volumes, helped by supply rationalization in institutional channels and further consolidation of market leadership.
- Copra softening from prior peaks provides comfort on margin outlook, enabling the management to stay confident of double-digit operating profit growth ahead.
- Saffola is poised to accelerate as price volatility subsides, with cold-pressed variants seeing encouraging traction across modern trade and digital channels.
- VAHO delivered strong double-digit volumes with share gains across premium and non-Shanti Amla formats, aided by consistent brand-building and a clear premiumization strategy.
- VAHO continues to outgrow the company's average margin profile, with growth in the teens being achievable, as category investment from industry leaders begins to yield results.
- Foods crossed a strong scale milestone with clarity in strategy: fewer, bigger, and relevant plays anchored around Saffola, True Elements, and Plix.
- Near-term growth in Foods reflects integration-led resets, Flipkart accounting adjustments, and portfolio rationalization, with a sharper mix and profitability focus expected over the next two quarters.
- Plix is undergoing profitability expansion, with strong traction in nutraceutical hero SKUs and a measured approach in personal care; international response in the Middle East and US remains promising.
- True Elements continues to lead in emerging categories like overnight oats and protein-led breakfast, leveraging its right-to-win in clean-label, functional nutrition.
- Digital-first brands surpassed meaningful scale with robust growth in Beardo and Plix, while True Elements, Just Herbs, and others sharpen their pathways toward breakeven.
- Premium personal care remains an investment vector, with the company prioritizing sustainable category creation in high-potential naturals and ingredient-led formats.
- The management maintains confidence on stronger 2H revenue traction, supported by stabilizing raw materials, improved channel flow, and normalized in-home consumption.
- Long-term strategy remains anchored around premiumization, category expansion, and margin rebuild, supported by operating discipline and continued A&P investments.
- Copra is expected to remain range-bound in the near term, with potential easing around the flush season, supporting sequential margin progression.
- Honey sees healthy demand in organized trade with improving GT capability, whereas Soya remains a targeted GT play with disciplined growth and focus on profitable participation.

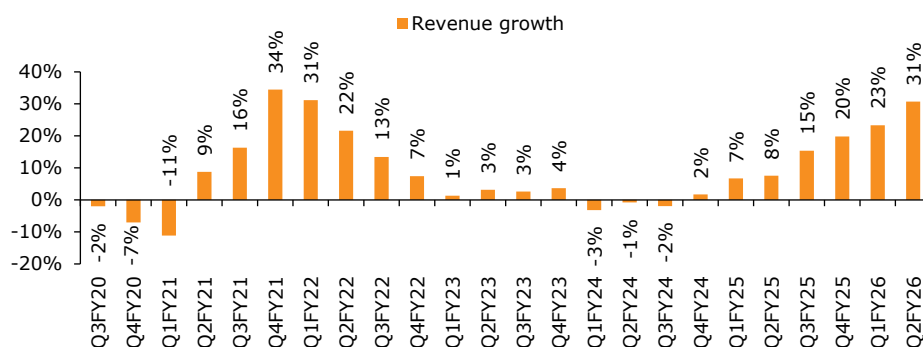
Q2FY26 performance

Exhibit 1: Quarterly performance

(Rs mn)	2QFY26	2QFY25	YoY (%)	1QFY26	QoQ (%)	Emkay Est	Var.(%)	H1FY26	H1FY25	YoY (%)
Total income	34,820	26,640	30.7	32,590	6.8	32,680	6.5	67,410	53,070	27.0
Cost of goods	19,970	13,110	52.3	17,300	15.4	17,609	13.4	37,270	25,730	44.9
Employee expenses	2,180	2,130	2.3	2,200	(0.9)	2,343	(7.0)	4,380	4,160	5.3
A&P spends	3,450	2,900	19.0	2,990	15.4	3,595	(4.0)	6,440	5,300	21.5
Other expenses	3,620	3,280	10.4	3,550	2.0	3,700	(2.2)	7,170	6,400	12.0
EBITDA	5,600	5,220	7.3	6,550	(14.5)	5,433	3.1	12,150	11,480	5.8
EBITDAM (%)	16.1	19.6	-350bps	20.1	-400bps	16.6	-50bps	18.0	21.6	-360bps
Depreciation	470	410	14.6	450	4.4	470	0.0	920	820	12.2
EBIT	5,130	4,810	6.7	6,100	(15.9)	4,963	3.4	11,230	10,660	5.3
EBITM (%)	14.7	18.1	-330bps	18.7	-400bps	15.2	-50bps	16.7	20.1	-340bps
Interest cost	120	110	9.1	100	20.0	100	20.0	220	280	(21.4)
Other income	490	400	22.5	560	(12.5)	550	(10.9)	1,050	770	36.4
PBT	5,500	5,100	7.8	6,560	(16.2)	5,413	1.6	12,060	11,150	8.2
Tax	1,180	1,121	5.3	1,430	(17.5)	1,191	(0.9)	2,610	2,431	7.4
Tax rate (%)	21.5	22.0	(2.4)	21.8	(1.6)	22.0	-50bps	21.6	21.8	(0.7)
Adj Profit	4,200	3,879	8.3	5,040	(16.7)	4,122	1.9	9,160	8,509	7.6
NPM (%)	12.1	14.6	-250bps	15.5	-340bps	12.6	-60bps	13.6	16.0	-240bps
EPS (Rs)	3.3	3.0	8.3	3.9	-16.7	3.2	1.9	7.2	6.6	8.4

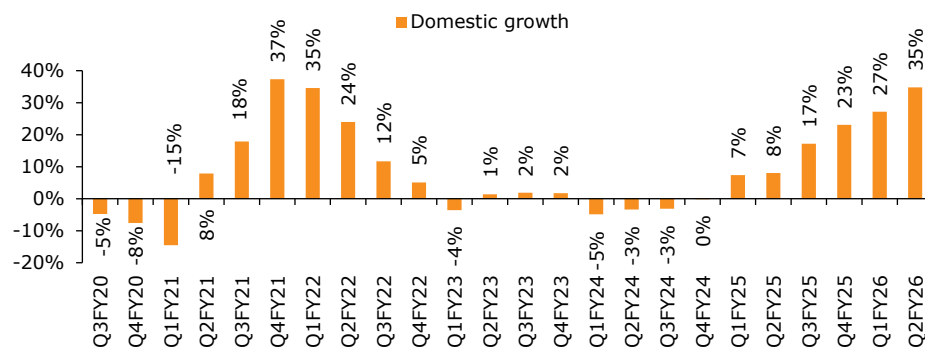
Source: Company, Emkay Research

Exhibit 2: Consolidated revenue growth

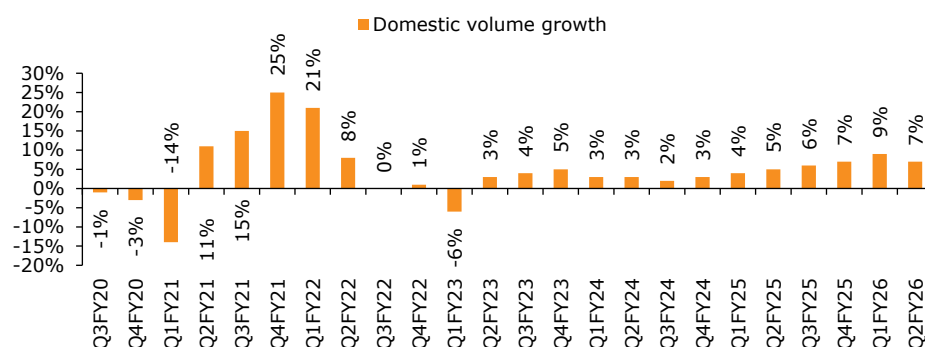


Source: Company, Emkay Research

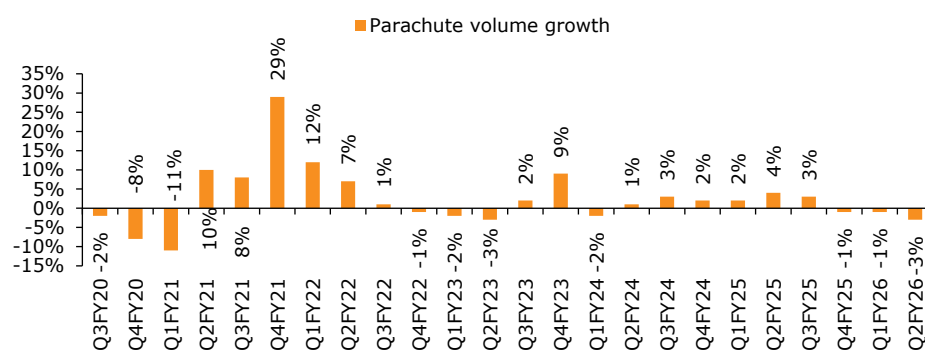
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Exhibit 3: Domestic revenue growth

Source: Company, Emkay Research

Exhibit 4: Domestic volume growth

Source: Company, Emkay Research

Exhibit 5: India – Parachute (rigid) volume growth

Source: Company, Emkay Research

This report is intended for Team White Marquee Solutions (team.emkay@whitemarquesolutions)

The chart displays the monthly price of gold in Rs/Quintal from August 2020 to November 2025. The y-axis represents the price in Rs/Quintal, ranging from 12,000 to 42,000 in increments of 5,000. The x-axis shows the timeline with labels every three months. The price starts at approximately 17,000 in August 2020, rises to a peak of about 22,000 in February 2021, then fluctuates between 15,000 and 18,000 until late 2023. It then rises steadily to about 22,000 by February 2025, followed by a sharp increase to over 37,000 in May 2025, and a slight dip to around 36,000 in November 2025.

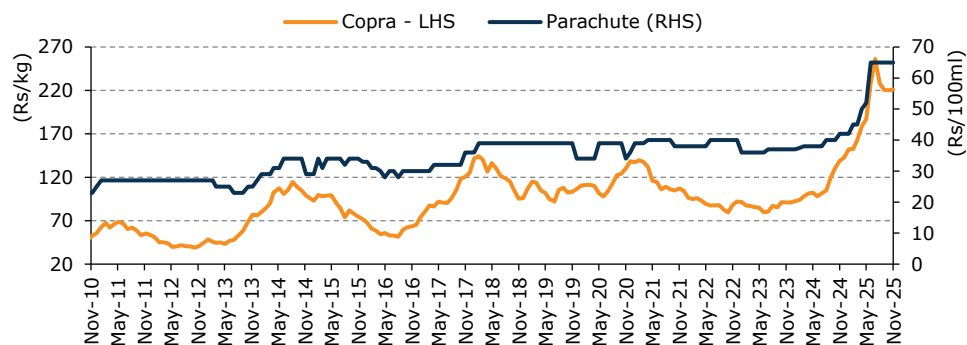
Month	Price (Rs/Quintal)
Aug 20	17,000
Nov 20	18,500
Feb 21	22,000
May 21	18,000
Aug 21	17,500
Nov 21	17,000
Feb 22	16,500
May 22	15,500
Aug 22	14,500
Nov 22	13,500
Feb 23	14,000
May 23	12,500
Aug 23	13,000
Nov 23	14,000
Feb 24	15,000
May 24	16,500
Aug 24	18,500
Nov 24	21,000
Feb 25	22,000
May 25	38,000
Aug 25	37,000
Nov 25	36,000

The chart displays the monthly average price of 1 quintal of pulses in Rs. from August 2020 to November 2025. The y-axis represents the price in Rs./Quintal, ranging from 5,000 to 30,000. The x-axis shows the time period in months, with labels every three months (Aug-20, Nov-20, Feb-21, May-21, Aug-21, Nov-21, Feb-22, May-22, Aug-22, Nov-22, Feb-23, May-23, Aug-23, Nov-23, Feb-24, May-24, Aug-24, Nov-24, Feb-25, May-25, Aug-25, Nov-25). The price starts at approximately 10,000 Rs./quintal in Aug-20, rises to a peak of about 14,000 Rs./quintal in Feb-21, and then fluctuates between 11,000 and 15,000 Rs./quintal until late 2024. From late 2024, the price shows a sharp upward trend, peaking at approximately 26,000 Rs./quintal in May-25, and then settling around 22,000 Rs./quintal by Nov-25.

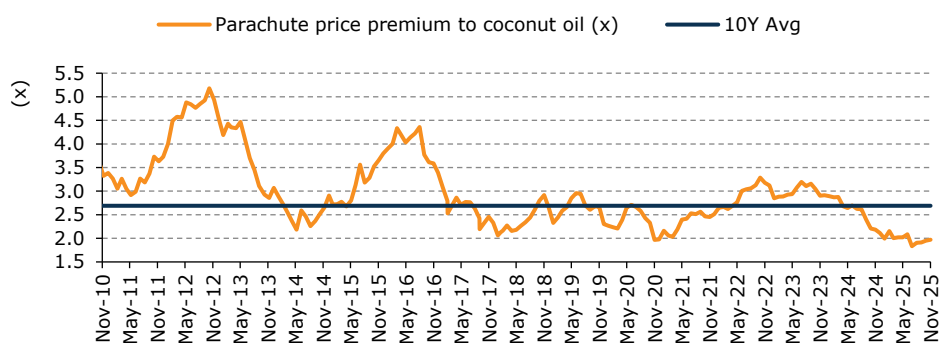
Month	Price (Rs./Quintal)
Aug-20	10,000
Nov-20	12,000
Feb-21	14,000
May-21	13,000
Aug-21	11,000
Nov-21	10,500
Feb-22	10,000
May-22	9,500
Aug-22	9,000
Nov-22	8,500
Feb-23	9,000
May-23	8,500
Aug-23	8,000
Nov-23	9,000
Feb-24	9,500
May-24	10,000
Aug-24	10,500
Nov-24	13,000
Feb-25	15,000
May-25	26,000
Aug-25	22,000
Nov-25	22,000

The chart displays the daily price of 100 kg of Moringa (Kochi) in the Copra market. The y-axis represents the price in Rs/Ql, ranging from 21,000 to 26,000. The x-axis shows the timeline from August 1, 2025, to November 1, 2025. The price starts at approximately 25,600 Rs/Ql, drops sharply to 22,000 Rs/Ql by mid-September, and then remains stable with minor fluctuations.

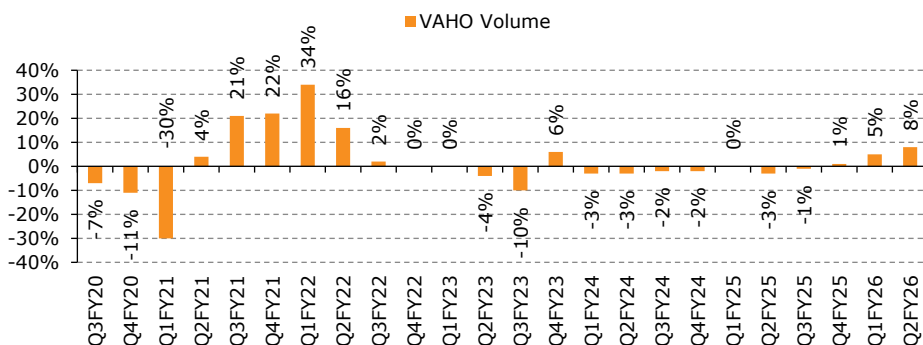
Date	Kochi-Price(Rs/Ql)
August 1, 2025	25,600
August 10, 2025	25,300
August 20, 2025	24,300
August 30, 2025	24,000
September 10, 2025	23,000
September 20, 2025	22,600
September 30, 2025	22,000
October 10, 2025	22,100
October 20, 2025	21,900
October 30, 2025	22,000
November 1, 2025	22,000

Exhibit 9: Monthly copra price and Parachute coconut oil pricing (100ml SKU)

Source: Coconut Development Board, Emkay Research

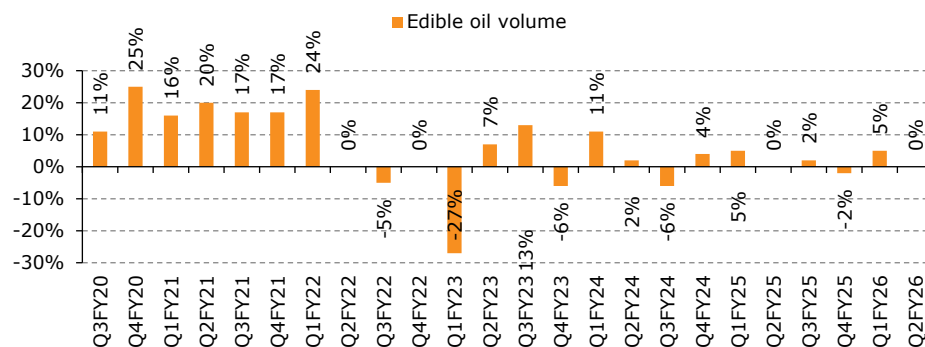
Exhibit 10: Parachute price premium to coconut prices near the all-time lows

Source: Coconut Development Board, Emkay Research

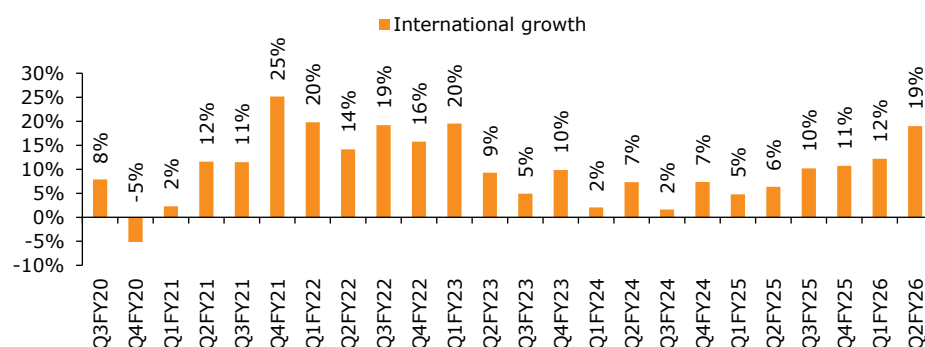
Exhibit 11: India - Value-added hair oil volume growth

Source: Company, Emkay Research

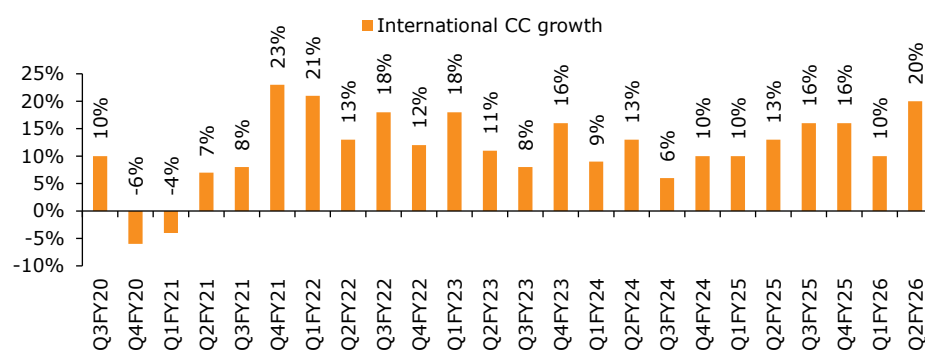
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Exhibit 12: India – Edible oil volume growth

Source: Company, Emkay Research

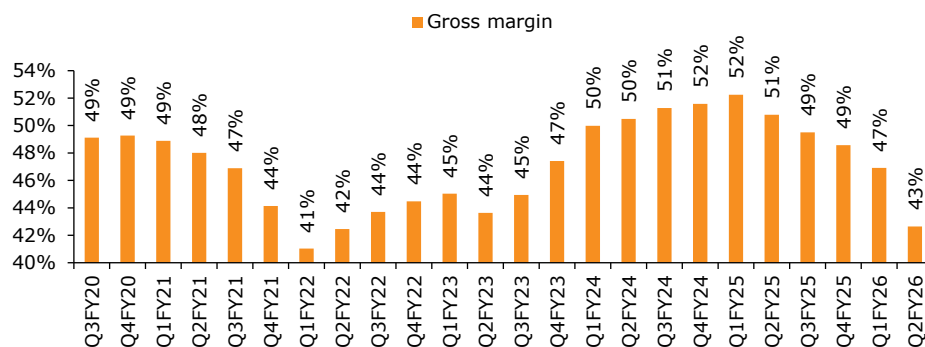
Exhibit 13: International revenue growth

Source: Company, Emkay Research

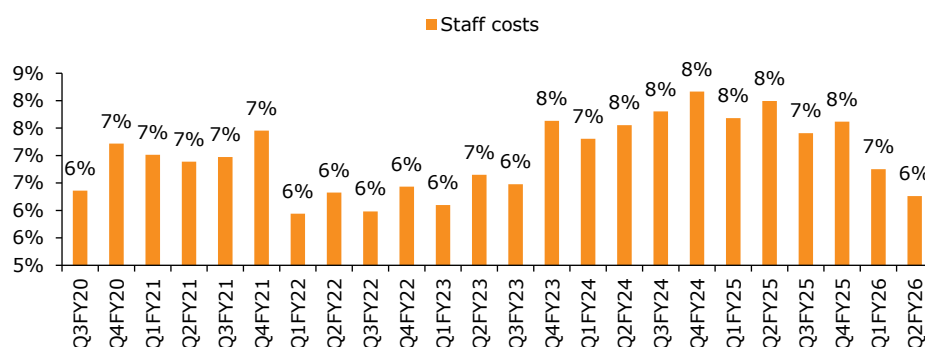
Exhibit 14: International constant currency revenue growth

Source: Company, Emkay Research

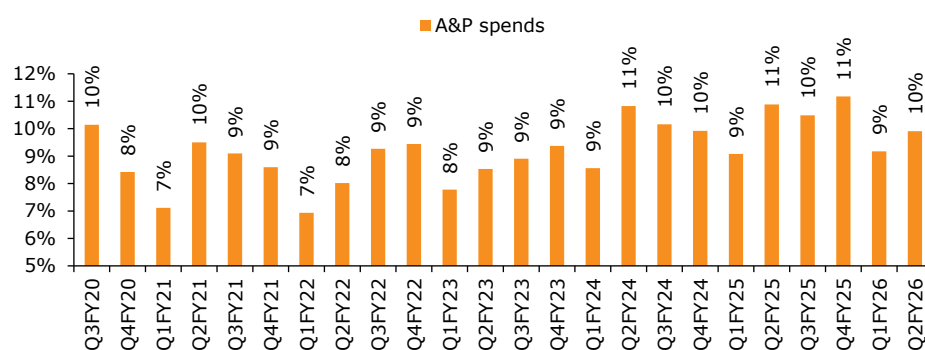
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Exhibit 15: Consolidated gross margin

Source: Company, Emkay Research

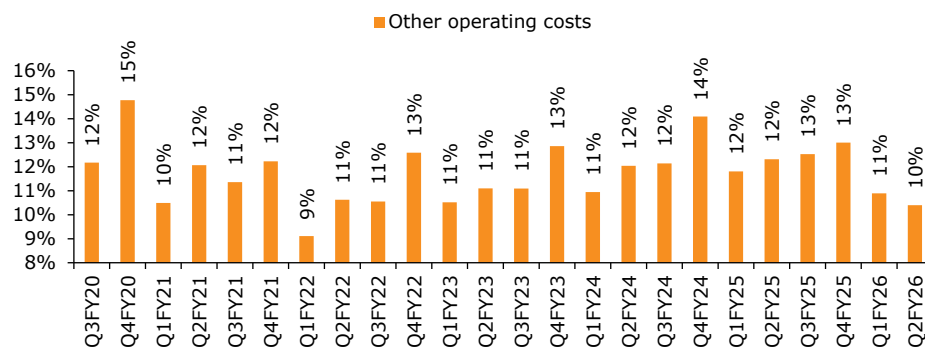
Exhibit 16: Consolidated staff costs as a % of sales

Source: Company, Emkay Research

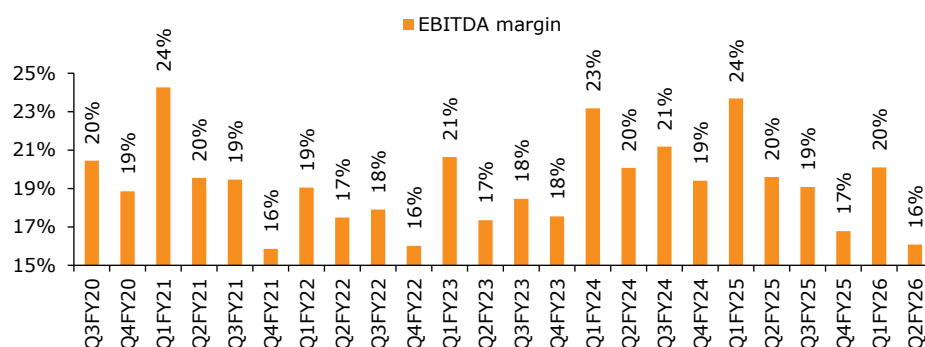
Exhibit 17: Consolidated advertisement spends as a % of sales

Source: Company, Emkay Research

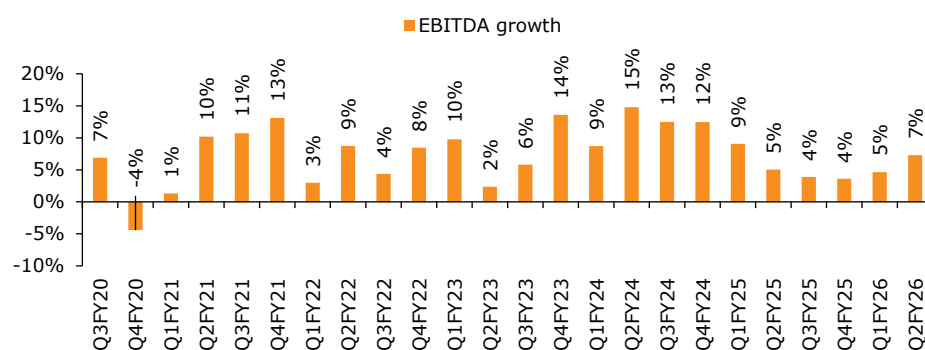
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Exhibit 18: Consolidated other operating expenses as a % of sales

Source: Company, Emkay Research

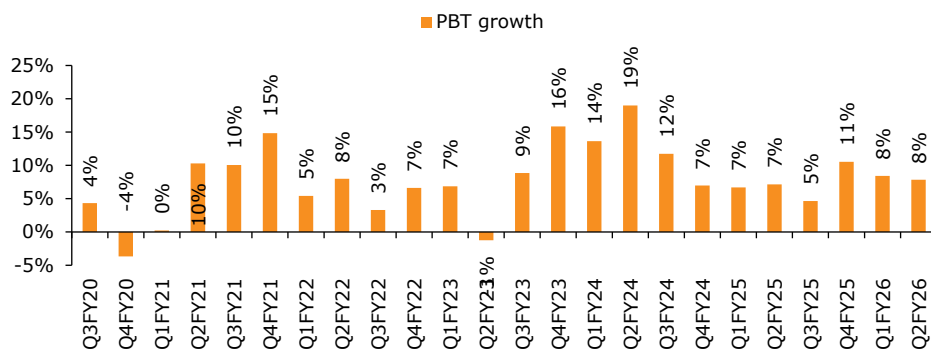
Exhibit 19: Consolidated EBITDA margin

Source: Company, Emkay Research

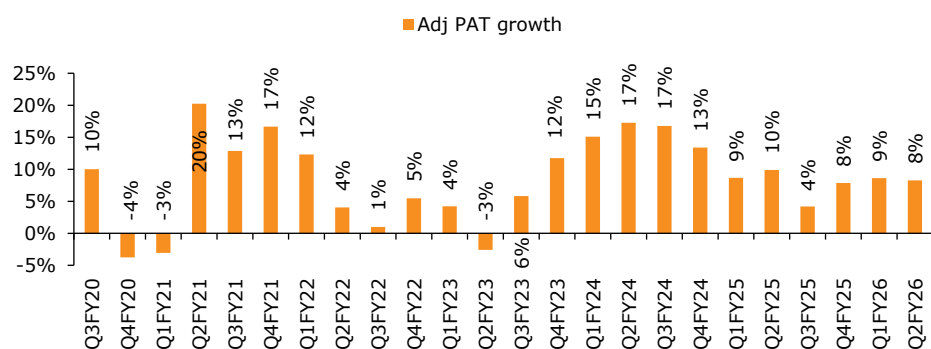
Exhibit 20: Consolidated EBITDA growth

Source: Company, Emkay Research

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Exhibit 21: Consolidated profit before tax (PBT) growth

Source: Company, Emkay Research

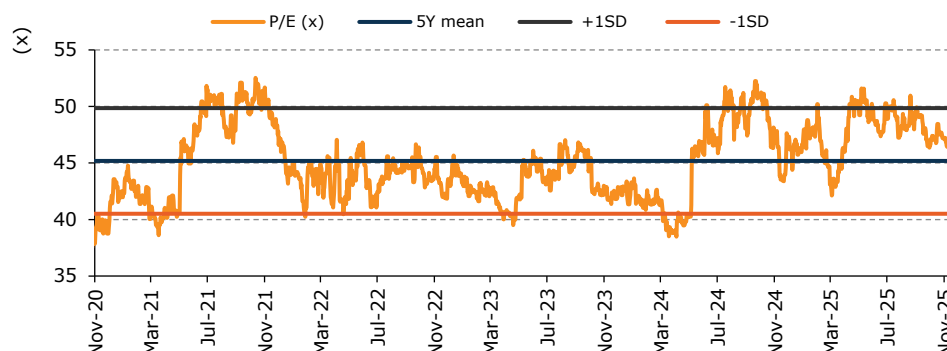
Exhibit 22: Consolidated adjusted PAT growth

Source: Company, Emkay Research

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Valuation to factor in enhanced execution

Exhibit 23: One year forward P/E (on consensus)



Source: Bloomberg, Emkay Research

Exhibit 24: Key assumptions

	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Profit and loss account								
Sales growth	10%	18%	3%	-1%	12%	25%	2%	10%
EBITDA growth	8%	6%	7%	12%	6%	9%	21%	12%
Earnings growth	10%	6%	6%	14%	10%	9%	20%	11%
Gross margin	47%	43%	45%	51%	50%	45%	49%	49%
A&P spends as a % of sales	9%	8%	9%	10%	10%	10%	10%	10%
EBITDA margin	20%	18%	19%	21%	20%	17%	20%	21%
Adj EPS (Rs)	9.0	9.6	10.1	11.5	12.6	13.8	16.5	18.3
DPS (Rs)	7.5	9.3	4.5	9.5	10.5	11.5	13.5	15.0
Balance sheet								
Avg ROCE	42%	43%	42%	44%	46%	48%	54%	56%
Avg RoE	37%	37%	36%	39%	42%	43%	48%	49%
Inventory days (no of)	51	54	46	51	42	42	42	42
Receivable days (no of)	18	25	38	40	43	43	43	44
Payable days (no of)	51	52	54	60	46	50	50	50

Source: Bloomberg, Emkay Research

Exhibit 25: Changes to our estimates

(Rs mn)	New estimates			Old estimates			Changes to our estimates		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue	135,874	138,156	151,423	129,960	135,538	148,962	5%	2%	2%
- growth	25.6%	1.6%	9.6%	20.0%	4.3%	9.9%			
EBITDA	23,309	28,266	31,728	23,413	28,457	31,597	0%	-1%	0%
- growth	9.0%	21.3%	12.3%	9.5%	21.5%	11.0%			
EBITDA margin	17.2%	20.5%	21.0%	18.0%	21.0%	21.2%			
Adj PAT	17,753	21,249	23,588	17,873	21,396	23,488	-1%	-1%	0%
- growth	9.0%	19.7%	11.0%	9.7%	19.7%	9.8%			
EPS (Rs)	13.76	16.47	18.28	13.86	16.59	18.21	-1%	-1%	0%

Source: Company, Emkay Research

This report is intended for Team White Marquee Solutions (team.emkay@whitemarquesolutions)

Exhibit 26: Emkay estimates vs consensus

(Rs mn)	Emkay estimates			Consensus			Emkay estimate vs consensus		
	FY26E	FY27E	FY28E	FY26	FY27	FY28	FY26E	FY27E	FY28E
Revenue	135,874	138,156	151,423	129,960	135,538	148,962	5%	2%	2%
- Growth	25.6%	1.6%	9.6%	20.0%	4.3%	9.9%			
EBITDA	23,309	28,266	31,728	23,413	28,457	31,597	0%	-1%	0%
- Growth	9.0%	21.3%	12.3%	9.5%	21.5%	11.0%			
EBITDA margin	17.2%	20.5%	21.0%	18.0%	21.0%	21.2%			
Adj PAT	17,753	21,249	23,588	17,873	21,396	23,488	-1%	-1%	0%
- Growth	9.0%	19.7%	11.0%	9.7%	19.7%	9.8%			
EPS (Rs)	13.76	16.47	18.28	13.86	16.59	18.21	-1%	-1%	0%

Source: Bloomberg, Emkay Research

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Marico: Consolidated Financials and Valuations

Profit & Loss					
Y/E March (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue	96,530	108,310	135,874	138,156	151,423
Revenue growth (%)	(1.1)	12.2	25.4	1.7	9.6
EBITDA	20,260	21,390	23,309	28,266	31,728
EBITDA growth (%)	11.9	5.6	9.0	21.3	12.3
Depreciation & Amortization	1,580	1,780	1,850	2,050	2,200
EBIT	18,680	19,610	21,459	26,216	29,528
EBIT growth (%)	12.9	5.0	9.4	22.2	12.6
Other operating income	800	980	1,049	1,122	1,201
Other income	1,420	2,080	2,200	2,300	2,500
Financial expense	730	530	450	400	400
PBT	19,370	21,160	23,209	28,116	31,628
Extraordinary items	0	0	0	0	0
Taxes	4,350	4,580	5,106	6,467	7,591
Minority interest	(210)	(290)	(350)	(400)	(450)
Income from JV/Associates	-	-	-	-	-
Reported PAT	14,810	16,290	17,753	21,249	23,588
PAT growth (%)	13.7	10.0	9.0	19.7	11.0
Adjusted PAT	14,810	16,290	17,753	21,249	23,588
Diluted EPS (Rs)	11.5	12.6	13.8	16.5	18.3
Diluted EPS growth (%)	13.7	10.0	9.0	19.7	11.0
DPS (Rs)	9.5	3.5	11.5	13.5	15.0
Dividend payout (%)	83.0	27.8	83.6	82.0	82.0
EBITDA margin (%)	21.0	19.7	17.2	20.5	21.0
EBIT margin (%)	19.4	18.1	15.8	19.0	19.5
Effective tax rate (%)	22.5	21.6	22.0	23.0	24.0
NOPLAT (pre-IndAS)	14,485	15,365	16,738	20,186	22,442
Shares outstanding (mn)	1,290	1,290	1,290	1,290	1,290

Source: Company, Emkay Research

Balance Sheet					
Y/E March (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Share capital	1,290	1,290	1,290	1,290	1,290
Reserves & Surplus	37,030	38,460	41,378	45,212	49,449
Net worth	38,320	39,750	42,668	46,502	50,739
Minority interests	3,370	2,910	3,260	3,660	4,110
Non-current liab. & prov.	2,790	2,480	2,604	2,734	2,871
Total debt	5,290	13,630	14,312	15,027	15,778
Total liabilities & equity	49,770	58,770	62,843	67,923	73,499
Net tangible fixed assets	-	-	-	-	-
Net intangible assets	-	-	-	-	-
Net ROU assets	2,090	2,300	2,415	2,536	2,663
Capital WIP	440	400	500	500	500
Goodwill	8,630	8,570	9,695	9,695	9,695
Investments [JV/Associates]	3,430	2,150	2,650	3,150	3,650
Cash & equivalents	12,020	21,520	22,613	26,941	30,696
Current assets (ex-cash)	28,730	29,940	36,518	37,285	41,033
Current Liab. & Prov.	24,440	24,610	29,769	30,449	32,902
NWC (ex-cash)	4,290	5,330	6,749	6,836	8,131
Total assets	49,770	58,770	62,843	67,923	73,499
Net debt	(6,730)	(7,890)	(8,302)	(11,914)	(14,918)
Capital employed	49,770	58,770	62,843	67,923	73,499
Invested capital	29,440	30,610	32,786	32,823	33,918
BVPS (Rs)	29.7	30.8	33.1	36.0	39.3
Net Debt/Equity (x)	(0.2)	(0.2)	(0.2)	(0.3)	(0.3)
Net Debt/EBITDA (x)	(0.3)	(0.4)	(0.4)	(0.4)	(0.5)
Interest coverage (x)	27.5	40.9	52.6	71.3	80.1
RoCE (%)	44.5	42.0	40.6	45.5	47.2

Source: Company, Emkay Research

Cash flows					
Y/E March (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
PBT (ex-other income)	17,950	19,080	21,009	25,816	29,128
Others (non-cash items)	(110)	(580)	(510)	(510)	(109)
Taxes paid	(3,510)	(3,690)	(3,780)	(4,840)	(5,106)
Change in NWC	(1,220)	(1,350)	(1,295)	43	(1,158)
Operating cash flow	14,360	14,420	17,425	22,343	23,255
Capital expenditure	(2,380)	(1,870)	(2,706)	(2,000)	(2,000)
Acquisition of business	1,750	1,280	(500)	(500)	(500)
Interest & dividend income	-	-	-	-	-
Investing cash flow	1,760	(6,210)	(2,006)	(1,200)	(1,000)
Equity raised/(repaid)	340	0	0	0	0
Debt raised/(repaid)	(910)	(50)	(40)	0	250
Payment of lease liabilities	(340)	(210)	(115)	(121)	(127)
Interest paid	(540)	(510)	(450)	(400)	(400)
Dividend paid (incl tax)	(12,290)	(4,530)	(14,835)	(17,415)	(19,350)
Others	(1,680)	(1,190)	115	121	127
Financing cash flow	(15,420)	(6,490)	(15,325)	(17,815)	(19,500)
Net chg in Cash	700	1,720	93	3,328	2,755
OCF	14,360	14,420	17,425	22,343	23,255
Adj. OCF (w/o NWC chg.)	15,580	15,770	18,720	22,300	24,413
FCFF	11,980	12,550	14,718	20,343	21,255
FCFE	11,250	12,020	14,268	19,943	20,855
OCF/EBITDA (%)	70.9	67.4	74.8	79.0	73.3
FCFE/PAT (%)	76.0	73.8	80.4	93.9	88.4
FCFF/NOPLAT (%)	82.7	81.7	87.9	100.8	94.7

Source: Company, Emkay Research

Valuations and key Ratios					
Y/E March	FY24	FY25	FY26E	FY27E	FY28E
P/E (x)	64.3	58.5	53.7	44.8	40.4
EV/CE(x)	20.1	16.8	15.7	14.5	13.4
P/B (x)	24.9	24.0	22.3	20.5	18.8
EV/Sales (x)	9.9	8.8	7.0	6.9	6.3
EV/EBITDA (x)	46.7	44.2	40.6	33.5	29.8
EV/EBIT(x)	50.7	48.3	44.1	36.1	32.0
EV/IC (x)	32.1	30.9	28.9	28.8	27.9
FCFF yield (%)	1.3	1.3	1.6	2.1	2.2
FCFE yield (%)	1.2	1.3	1.5	2.1	2.2
Dividend yield (%)	1.3	0.5	1.6	1.8	2.0
DuPont-RoE split					
Net profit margin (%)	15.3	15.0	13.1	15.4	15.6
Total asset turnover (x)	2.1	2.1	2.3	2.2	2.2
Assets/Equity (x)	1.2	1.3	1.4	1.4	1.4
RoE (%)	38.8	41.7	43.1	47.7	48.5
DuPont-RoIC					
NOPLAT margin (%)	15.0	14.2	12.3	14.6	14.8
IC turnover (x)	3.7	3.6	4.3	4.2	4.5
RoIC (%)	55.5	51.2	52.8	61.5	67.3
Operating metrics					
Core NWC days	16.2	18.0	18.1	18.1	19.6
Total NWC days	16.2	18.0	18.1	18.1	19.6
Fixed asset turnover	3.3	3.2	3.8	3.6	3.8
Opex-to-revenue (%)	29.8	30.5	27.5	28.3	28.0

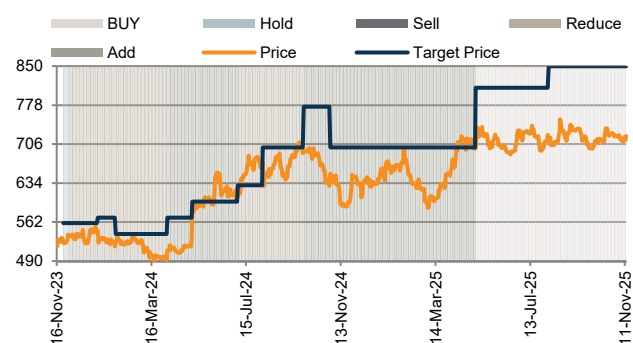
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
02-Oct-25	702	850	Buy	Nitin Gupta
17-Sep-25	712	850	Buy	Nitin Gupta
08-Sep-25	731	850	Buy	Nitin Gupta
19-Aug-25	728	850	Buy	Nitin Gupta
17-Aug-25	711	850	Buy	Nitin Gupta
05-Aug-25	716	850	Buy	Nitin Gupta
03-Aug-25	711	810	Buy	Nitin Gupta
17-Jul-25	733	810	Buy	Nitin Gupta
05-Jul-25	729	810	Buy	Nitin Gupta
30-Jun-25	722	810	Buy	Nitin Gupta
24-Jun-25	704	810	Buy	Nitin Gupta
04-May-25	698	810	Buy	Nitin Gupta
24-Apr-25	713	700	Add	Nitin Gupta
03-Apr-25	661	700	Add	Nitin Gupta
17-Mar-25	608	700	Add	Nitin Gupta
26-Feb-25	622	700	Add	Nitin Gupta
18-Feb-25	626	700	Add	Nitin Gupta
02-Feb-25	694	700	Add	Nitin Gupta
31-Jan-25	671	700	Add	Nitin Gupta
03-Jan-25	661	700	Add	Nitin Gupta

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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BUY	>15% upside
ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	>15% downside

Emkay Global Financial Services Ltd.

CIN - L67120MH1995PLC084899

7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai - 400028. India

Tel: +91 22 66121212 Fax: +91 22 66121299 Web: www.emkayglobal.com

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