YES SECURITIES
INSTITUTIONAL EQUITIES

October 30, 2024

RESULT REPORT Q2 FY25 | Sector: Consumer Staples

Dabur India

Reco	:	**BUY**
CMP	:	Rs 547
Target Price	:	Rs 700
Potential Return	:	+28.1%

Recovery ahead; Maintain BUY

Dabur India Ltd. (DABUR) Sep'24 quarter was marred by strategic decision of rationalization of inventory in the General Trade (GT) channel and impact from heavy rains & floods on the business especially the beverages portfolio. India FMCG sales was down by ~7.6% but secondary sales for the quarter grew at over 2%. International business reported strong constant currency (CC) growth of 13% YoY but due to currency conversion impact, reported INR growth stood at 3.3%. With rural footprint of >122k villages now for Dabur, rural growth outpaced urban growth by 130bps in 2QFY25. With expectation of recovery in consumer demand in the coming quarters, both in urban and rural markets, domestic volume trajectory should improve. Dabur has been our preferred top pick within the FMCG pack especially with the ongoing rural recovery (rural forms ~50% of domestic business). But the recovery as well as the stock price were impacted by the inventory correction. We continue to remain positive on better growth going forward but also remain watchful on competitive pressure in key categories. We maintain our BUY rating with a revised target price (TP) of Rs700 (Rs765 earlier), ~48x on FY'27E EPS.

2QFY25 Result Highlights

- **Headline performance:** Consolidated revenues de-grew by 5.5% YoY (-3% CC growth) to Rs30.3bn (vs est. Rs30.4bn). EBITDA was down 16.4% YoY to Rs5.5bn (vs est. Rs5.6bn). Adjusted PAT (APAT) was down 17.5% YoY to Rs4.3bn (vs est. Rs4.2bn).
- **India FMCG volume** de-grew by ~7.5% (in-line with our est.). International Business (28.4% to consol. sales in 2QFY25) reported a growth of 13% in CC terms.
- **Consol. gross margin** was up 100bps YoY to 49.3% (up 160bps QoQ). Operating deleverage meant that EBITDA margin was down by 240bps YoY to 18.2%. A&P spends up ~70bps YoY (media spends grew by 4.2% in the consolidated business and de-grew by 4.7% in the India business).
- **2QFY25 Standalone** revenue, EBITDA and APAT de-grew by 8.2%, 20.7% and 21.7% YoY, respectively. Gross margin was down 20bps YoY to 46.6% while EBITDA margin stood at 18.8% (down 300bps YoY).
- **1HFY25 Consol.** revenue, EBITDA and APAT grew by 0.7%, -4.6% and -5.5% YoY, respectively. Gross margin was up 110bps YoY to 48.5% while EBITDA margin stood at 18.9% (down 100bps YoY).

Key highlights from conference call: (1) Dabur expects urban slowdown to have bottomed-out and should see improvement going forward. (2) Dabur expects to grow by mid to high single digit in 2HFY25 subject to strong winter season and normalized industry growth. (3) The company expects margins to remain flattish for FY25.

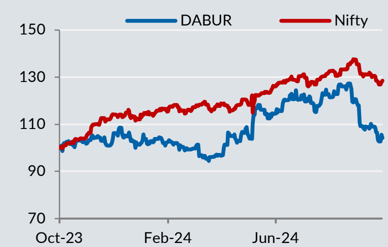
View & Valuation

We now build 9.1% revenue CAGR over FY24-FY27E driven by: (a) Reaping benefits from rural recovery and distribution expansion (rural coverage of >122k villages which is highest in the industry). Direct reach now stands at ~1.42mn outlets with total reach of ~7.9mn outlets. (b) Focus on gaining market share in key categories - DABUR's Power Brand strategy of focusing on nine of its major brands –accounts for >70% of the company's consolidated revenue, will continue to pay dividend in the medium to long term. (c) Expanding TAM through power platform strategy and innovations gives decent visibility for long-term growth. (d) Improved INR growth in International business as it laps up currency impact. At operating level, we expect ~10.4% EBITDA CAGR over FY24-FY27E (~70bps EBITDA margin expansion led by gross margin expansion of 120bps). 'Namaste' litigations remain an overhang as it might take 1-1.5 years more to settle but legal cost has come down in FY25. Dabur has been our preferred top pick within the FMCG pack especially with the ongoing rural recovery (rural forms ~50% of domestic business). But the recovery as well as the stock price were impacted by the inventory correction. We continue to remain positive on better growth going forward but remain watchful on competitive pressure in key categories. We maintain our BUY rating with a revised TP of Rs700 (Rs765 earlier), ~48x on FY'27E EPS.

Stock data (as on October 30, 2024)

Nifty	24,341
52 Week h/l (Rs)	672 / 489
Market cap (Rs/USD mn)	949693 / 11298
Outstanding Shares (mn)	1,772
6m Avg t/o (Rs mn):	1,758
Div yield (%):	1.0
Bloomberg code:	DABUR IN
NSE code:	DABUR

Stock performance



	1M	3M	1Y
Absolute return	-12.6%	-13.8%	4.4%

Shareholding pattern (As of June'24 end)

Promoter	66.3%
FII+DII	28.5%
Others	5.2%

Δ in stance

(1-Yr)	New	Old
Rating	BUY	BUY
Target Price	700	765

Δ in earnings estimates

	FY25e	FY26e	FY27e
EPS (New)	10.8	12.9	14.6
EPS (Old)	11.8	13.8	NA
% change	-8.1%	-6.8%	NA

Financial Summary

(Rs mn)	FY25E	FY26E	FY27E
Revenue	130,225	146,742	161,042
YoY Growth (%)	5.0	12.7	9.7
EBIDTA	25,011	29,060	32,339
Margins (%)	19.2	19.8	20.1
PAT	19,209	22,825	25,874
EPS	10.8	12.9	14.6
YoY Growth (%)	4.2	18.8	13.4
Pre-tax RoCE (%)	21.9	23.8	25.7
ROE (%)	18.4	20.0	21.1
P/E (x)	50.4	42.4	37.4
EV/EBITDA (x)	36.1	30.8	27.3

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Exhibit 1: Actual vs estimate

Rs mn	Actual	Estimate		% Variation	
		YES Sec	Consensus	YES Sec	Consensus
Revenue	30,286	30,392	30,421	(0.3)	(0.4)
EBITDA	5,526	5,553	5,739	(0.5)	(3.7)
EBITDA Margin (%)	*18.2*	*18.3*	*18.9*	*(0.0)*	*(0.6)*
Adjusted PAT	4,250	4,175	4,464	1.8	(4.8)

Source: Bloomberg, YES Sec

Exhibit 2: Quarterly snapshot (Consolidated)

Particulars (Rs. Mn)	2QFY24	1QFY25	2QFY25	YoY (%)	QoQ (%)	1HFY24	1HFY25	YoY (%)
Revenue	**32,038**	**33,491**	**30,286**	**-5.5**	**-9.6**	**63,343**	**63,777**	**0.7**
COGS	16,557	17,487	15,343	-7.3	-12.3	33,274	32,830	-1.3
Gross margin %	***48.3***	***47.8***	***49.3***	***1.0***	***1.6***	***47.5***	***48.5***	***1.1***
Employee costs	3,155	3,229	3,388	7.4	4.9	6,127	6,617	8.0
% of sales	*9.8*	*9.6*	*11.2*	*1.3*	*1.5*	*9.7*	*10.4*	*0.7*
Advertising costs	2,165	2,359	2,256	4.2	-4.3	4,209	4,615	9.7
% of sales	*6.8*	*7.0*	*7.5*	*0.7*	*0.4*	*6.6*	*7.2*	*0.6*
Other expenses	3,553	3,866	3,773	6.2	-2.4	7,077	7,639	7.9
% of sales	*11.1*	*11.5*	*12.5*	*1.4*	*0.9*	*11.2*	*12.0*	*0.8*
EBITDA	**6,609**	**6,550**	**5,526**	**-16.4**	**-15.6**	**12,656**	**12,076**	**-4.6**
EBITDA margin %	***20.6***	***19.6***	***18.2***	***-2.4***	***-1.3***	***20.0***	***18.9***	***-1.0***
Depreciation	983	1,091	1,110	12.9	1.7	1,950	2,201	12.9
EBIT	5,626	5,459	4,416	-21.5	-19.1	10,706	9,875	-7.8
EBIT margin %	*17.6*	*16.3*	*14.6*	*-3.0*	*-1.7*	*16.9*	*15.5*	*-1.4*
Interest expense	281	327	474	68.4	45.1	525	801	52.6
Other income	1,164	1,294	1,515	30.2	17.1	2,262	2,809	24.2
PBT	6,508	6,427	5,457	-16.2	-15.1	12,444	11,884	-4.5
Tax	1,443	1,481	1,284	-11.0	-13.3	2,810	2,765	-1.6
Effective tax rate %	*22.2*	*23.0*	*23.5*	*1.4*	*0.5*	*22.6*	*23.3*	*0.7*
APAT	**5,151**	**5,001**	**4,250**	**-17.5**	**-15.0**	**9,789**	**9,251**	**-5.5**
APAT margin %	***16.1***	***14.9***	***14.0***	***-2.0***	***-0.9***	***15.5***	***14.5***	***-0.9***
EPS	**2.9**	**2.8**	**2.4**	**-17.5**	**-15.0**	**5.5**	**5.2**	**-5.5**

Source: Company, YES Sec

Exhibit 3: Quarterly snapshot (Standalone)

Particulars (Rs. Mn)	2QFY24	1QFY25	2QFY25	YoY (%)	QoQ (%)	1HFY24	1HFY25	YoY (%)
Revenue	**23,344**	**25,142**	**21,436**	**-8.2**	**-14.7**	**46,818**	**46,577**	**-0.5**
COGS	12,413	13,804	11,437	-7.9	-17.1	25,456	25,241	-0.8
Gross margin %	***46.8***	***45.1***	***46.6***	***-0.2***	***1.6***	***45.6***	***45.8***	***0.2***
Employee costs	2,016	2,026	2,081	3.2	2.7	3,910	4,106	5.0
% of sales	*8.6*	*8.1*	*9.7*	*1.1*	*1.6*	*8.4*	*8.8*	*0.5*
Advertising costs	1,730	1,887	1,649	-4.7	-12.6	3,404	3,536	3.9
% of sales	*7.4*	*7.5*	*7.7*	*0.3*	*0.2*	*7.3*	*7.6*	*0.3*
Other expenses	2,100	2,455	2,238	6.6	-8.9	4,339	4,693	8.2
% of sales	*9.0*	*9.8*	*10.4*	*1.4*	*0.7*	*9.3*	*10.1*	*0.8*
EBITDA	**5,086**	**4,969**	**4,032**	**-20.7**	**-18.9**	**9,710**	**9,001**	**-7.3**
EBITDA margin %	***21.8***	***19.8***	***18.8***	***-3.0***	***-1.0***	***20.7***	***19.3***	***-1.4***
Depreciation	512	601	638	24.8	6.2	1,025	1,239	20.9
EBIT	4,575	4,368	3,394	-25.8	-22.3	8,685	7,762	-10.6

EBIT margin %	*19.6*	*17.4*	*15.8*	*-3.8*	*-1.5*	*18.6*	*16.7*	*-1.9*
Interest expense	184	195	289	*57.0*	*48.4*	338	484	*43.4*
Other income	1,025	1,096	1,185	*15.6*	*8.1*	2,016	2,281	*13.1*
PBT	5,415	5,270	4,289	*-20.8*	*-18.6*	10,363	9,559	*-7.8*
Tax	1,213	1,216	997	*-17.8*	*-18.0*	2,384	2,213	*-7.2*
Effective tax rate %	*22.4*	*23.1*	*23.2*	*0.9*	*0.2*	*23.0*	*23.1*	*0.1*
APAT	**4,203**	**4,054**	**3,292**	***-21.7***	***-18.8***	**7,979**	**7,346**	***-7.9***
APAT margin %	***18.0***	***16.1***	***15.4***	***-2.6***	***-0.8***	***17.0***	***15.8***	***-1.3***
EPS	**2.4**	**2.3**	**1.9**	***-21.7***	***-18.8***	**4.5**	**4.1**	***-7.9***

Source: Company, YES Sec

Segmental: Consol. consumer care was down 4.1% YoY with segment EBIT margin down ~130bps YoY to 22.9%. Foods segment saw a degrowth of 13.5% YoY with segment EBIT margin down 410bps YoY to 10.9%.

Category secondary growth (YoY): Health supplements was up by 2.8% YoY. Oral care was up 5.3% YoY. Hair oil was up 3.8% YoY. Digestives reported 6.3% YoY growth. Shampoo was up by 3.2% YoY. Home care business grew by 9.1% YoY. Skin care was flat YoY. OTC and Ethicals business were flat YoY. Beverages degrew by 11.6% while Foods (incl. Badshah) saw a strong growth of 20.6%.

Takeaways from Dabur's 2QFY25 Conference Call

- **Outlook:** Dabur expects to grow by mid to high single digit in 2HFY25 subject to strong winter season and normalized industry growth.
- **Demand Environment:** Rural outpaced urban for 3rd consecutive quarters. It expects urban slowdown to have bottomed out as it is sitting on a high base and should see improvement going forward.
- **Margins:** The company expects margins to remain flattish for FY25.
- **Inflation:** Food inflation of 9% is worrying and expects to moderate from here on.
- **Pricing:** The company took price increase by 1.5% in 1HFY25, which was offset by trade benefits.
- **Sesa merger:** Sesa merger will strengthen Dabur's hair care portfolio and fill gap in premium Ayurvedic hair oil. Sesa gross margin (GM) is at 57% vs Dabur's hail oil GM at 44%. It is EBITDA margin accretive as well to the domestic hair oil portfolio. Sesa is a no.1 player in Bangladesh market. There will be no impact on Dabur's EPS for 1-1.5 years until the proposed merger is approved. Operating margin will reach 18-19% for Sesa once synergies start coming in. Sesa reaches 0.6mn outlets and 0.13mn directly. West India contribution is low for Dabur where Sesa is higher. North contribution is 11% for Sesa and Dabur is 25%, East is 20% for both Sesa and Dabur. South is very strong for Sesa whereas Dabur's contribution is low. The target company will be huge contributor to the international business. Sesa's rural presence is low whereas Dabur's is high. 8% of Sesa business comes from shampoo.
- **Inventory channel:** Dabur rationalized inventory to improve ROI of the distributors. Before the rationalization, overall business was growing by 6%. Beverages inventory correction largely led to significant decline in revenues. Inventory correction was completed within a month within 2Q. Distributors' inventory days were 30days earlier and now reduced to 21 days and the company wants to further reduce to 19 days by Dec'24. It has also started giving extra credit to distributors. ROI rationalization was largely for urban distributors whereas rural-distributors ROI is good. Some sort of subsidy given to distributor as well.
- **Distribution and Channel:** The emerging channel has 24% of the value saliency. GT as a % salience will go down for the company. It is strengthening relationships with E-comm and

Q-Comm companies and planning to launch new schemes and offers. Dabur's growth in Q-comm is higher than Q-comm's FMCG growth. Q-Comm players growth are putting pressure on MT players like Reliance Retail and DMart as well. The shift of GT to E-commerce is structural. The company reaches to just 0.1mn villages out of total 0.6mn villages in India. The company can double its direct reach. Earlier it used to supply Q-comm to MT and E-comm through GT stores. The company now supplies directly to all Q-comm to their warehouse. Q-comm margins are higher than E-commerce due to larger packs mix. The company believes bargaining power will remain with FMCG companies owing to competitive intensity in the Q-comm space. Dark stores keep the inventory for 3 days which is difficult for distributors to fulfill.

- **Beverages:** Heavy monsoon and flooding impacted the beverage category, but the company gained 240bps market share. Pricing index has become worse for the company and hence cannot compete against the competition. For instance, 1ltr pack for peers like Coke and Pepsi is Rs50 vs Rs130 for Real. It will be introducing 1ltr pack at Rs100 price point. Other players like Varun beverages & HCCB have also taken price cuts. The management sees a shift from juice based to fizzed based drinks but believes not to be structural in nature. Margins in the juice portfolio have gone up owing to premiumization. Coconut water and value-added juices are margin accretive. Dabur is pivoting into carbonated and fizz drinks at Rs10,20,50 and 100 price points. Coconut water portfolio has started to rebound. Drinks did Rs2bn in this quarter and grew by 16% excluding the flood impact in North East. The real impact was in Nectar (70-80% of Bev portfolio) which de-grew by 12% owing to category volume declining but the company has gained market share. Carbonated portfolio grown by 100% on small base.

- **Oral Care** growth ahead of the category and gained value market share. Lal Dant Manjan grew by 7%. The company will keep pushing the category for higher growth. There are huge tailwinds in the international business. It has exhausted the capacity in Egypt and MENA. However it is seeing competitive intensity in India.

- **Hair care:** Premium Ayurvedic hair oil is a white space. Dabur Amla is the company's cash cow. Perfumed hair oil gained 150bps market share. Cool King ARR Rs250mn in FY25 and growing well. With Sesa's GM of 57%, the company's GM will improve further in this category. Also Dabur's international contribution in this category is 25%. while Sesa for it is 11%. Coconut oil grew by 14% and took price hike along with market leader. Sesa can play in perfume based and coconut-based hair oil subcategory. The company expects higher than market growth in this category. The company has Rs20bn ARR in this category with 16% market share. Dabur reaches 4.5mn outlets while Sesa reaches 0.6mn. Sesa has a strong brand extendibility. ~8% contribution of Sesa is from shampoos.

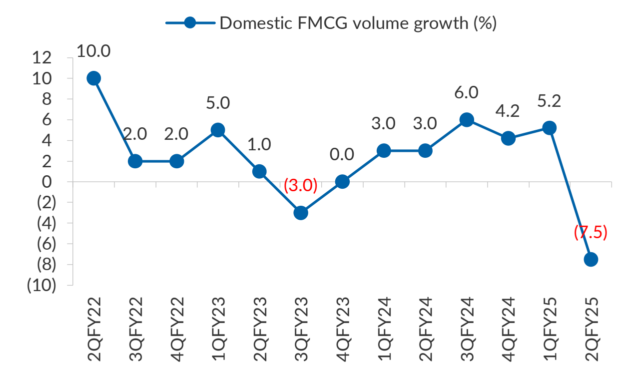
- **International business:** UAE and Egypt record strong double-digit growth. Distribution expansion in new geographies such as Morocco, Algeria, Eastern Europe and CIS. MENA and Africa are doing well. The company is doubling down in oral care. It expects margin improvement in the Egypt and Turkey business after lapping over of currency comes into base.

- **Healthcare** Chyawanprash continues to strengthen its market leadership by gaining market share. Monsoon campaign for Dabur Chyawanprash was well received by consumers. In digestives, Hajmola Jeera Drink showing strong consumer traction. Market share gains of 160bps in the digestives category. Chywanprash grew by 12%. The company is expecting La Nina to play out this winter and thus it expects high demand for Chywanprash.

- **Namaste India:** Legal cost in 1HFY25 was Rs450mn and for FY25 is 800-900mn. There is a saving of Rs200-300mn on last year's base due to optimization. The costs are all part of provisions. The litigation process is expected to go for 1-1.5 years more.

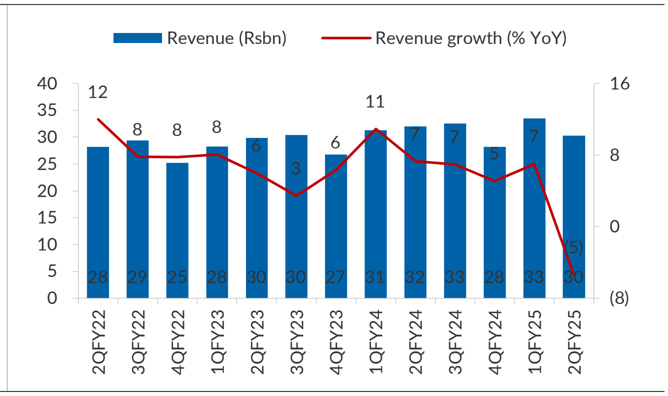
- **Others:** (1) Honitus declined on a high base. (2) 50% of Dabur's business comes from rural areas. (3) The company expects skincare to do well in 2HFY25 as the portfolio is more inclined towards winter season. Skin care category declined due to inventory corrections. (4) Badshah continued its strong growth trajectory with market share gains and volume growth of 15%. (5) It will be participating in Maha Kumbh as it has done in other mela's as well. These events result in margins improvement and create subsequent demand in future as the consumer uses/samples the product. (6) Sharp increase in net other income owing to doubling of yields in Dubai.

Exhibit 4: Dabur witnessed 7.5% domestic FMCG volume degrowth owing to inventory corrections in GT channel



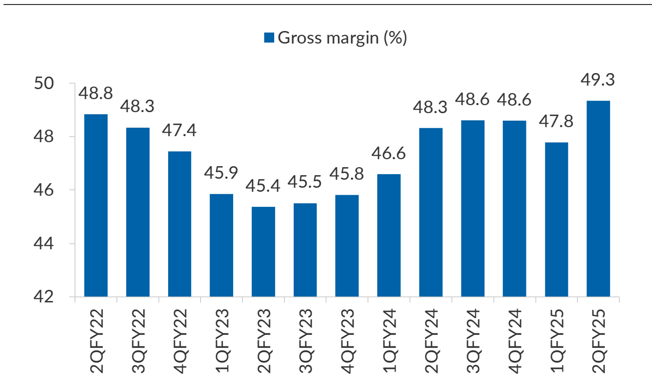
Source: Company, YES Sec

Exhibit 5: Consol. revenues degrew 5% YoY (CC growth of -3% YoY)



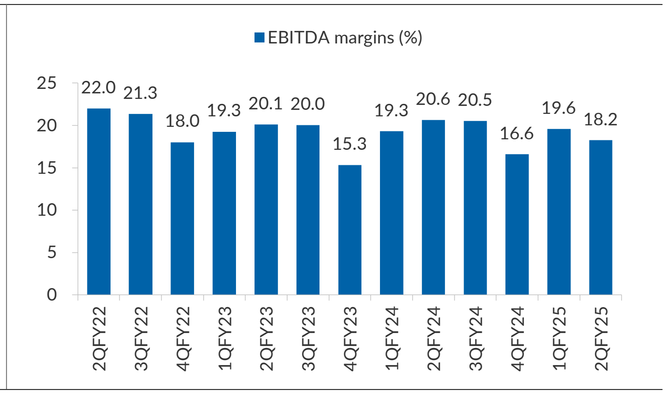
Source: Company, YES Sec

Exhibit 6: Gross margin was 49.3%, up 100bps YoY



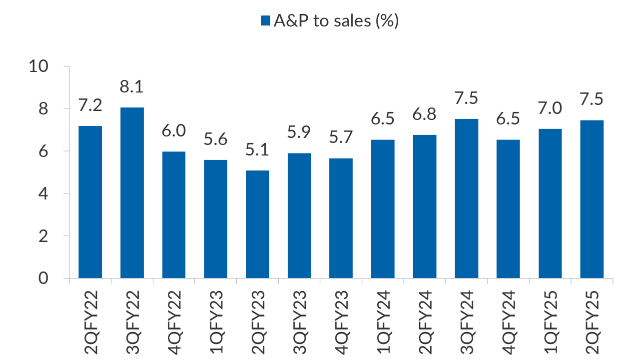
Source: Company, YES Sec

Exhibit 7: EBITDA margin was down 240bps YoY to 18.2%



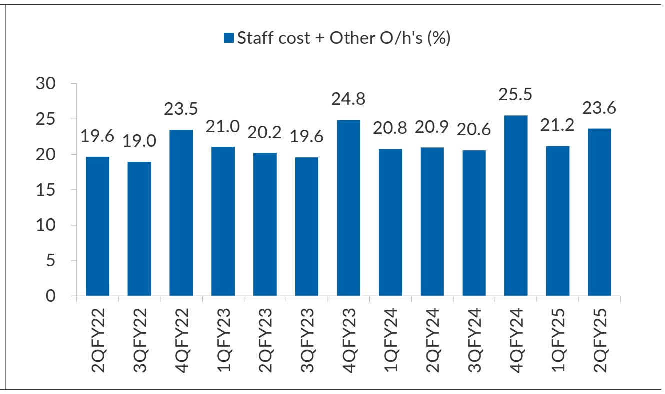
Source: Company, YES Sec

Exhibit 8: Consol. A&P spends went up 70bps YoY (up 7.5% on absolute basis)



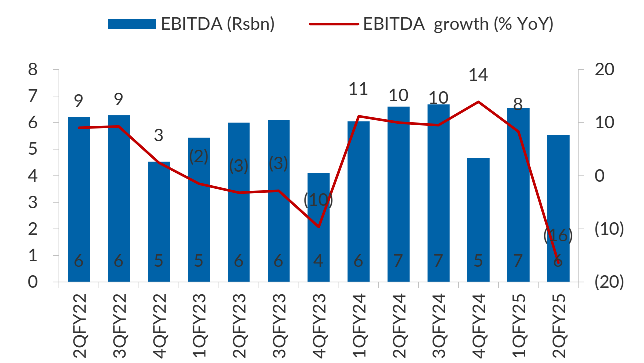
Source: Company, YES Sec

Exhibit 9: Staff cost + Other operating expenses were up 270bps YoY



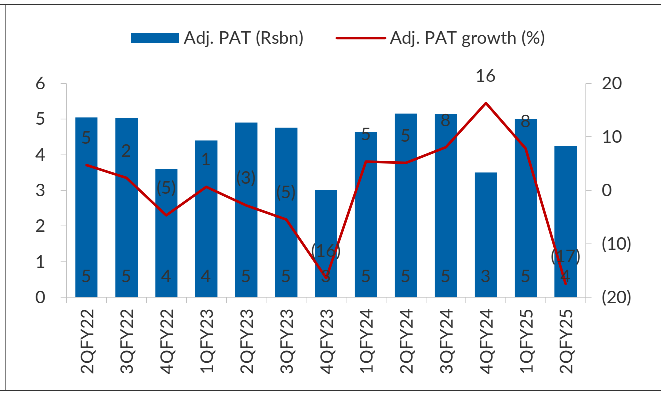
Source: Company, YES Sec

Exhibit 10: EBITDA was down 16.4% YoY



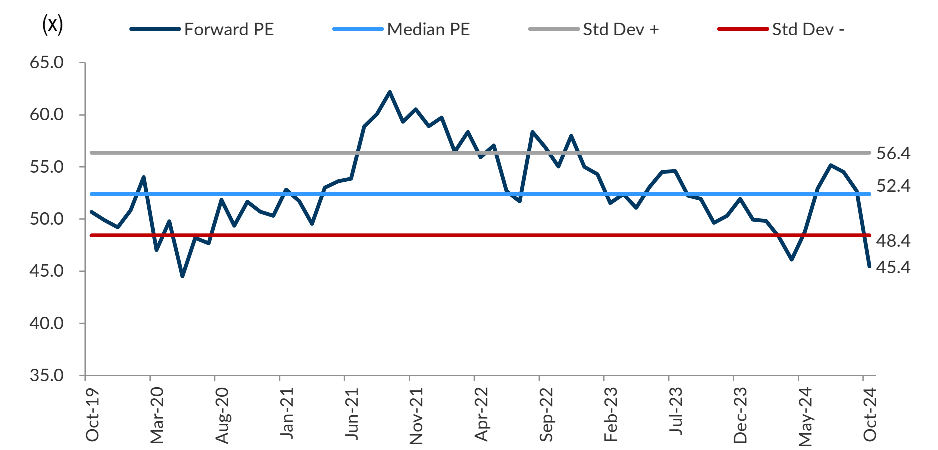
Source: Company, YES Sec

Exhibit 11: APAT was down 17.5% YoY



Source: Company, YES Sec

Exhibit 12: Currently trading at ~45x 1-yr forward earnings



Source: Company, YES Sec

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Exhibit 13: Balance Sheet

Y/E March (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Share capital	1,772	1,772	1,772	1,772	1,772
Reserves	92,643	101,259	112,540	120,221	128,968
Net worth	94,414	103,031	114,312	121,993	130,740
Deferred tax liability	889	1,027	1,027	1,027	1,027
Total liabilities	**106,737**	**117,341**	**124,623**	**129,303**	**135,051**
Gross block	51,778	58,329	61,829	63,829	65,829
Depreciation	20,044	23,999	28,414	32,878	37,484
Net block	35,787	38,381	37,465	35,001	32,395
Capital work-in-progress	1,751	2,091	2,300	2,530	2,783
Investments	62,653	69,987	71,386	74,956	78,703
Inventories	20,242	19,470	20,814	21,419	22,954
Debtors	8,488	8,987	7,758	8,745	9,597
Cash	3,259	6,664	2,473	6,184	10,080
Loans & advances	594	633	760	912	1,095
Other current assets	3,750	5,611	5,891	6,186	6,495
Total current assets	36,332	41,365	37,696	43,446	50,220
Creditors	21,866	24,217	20,943	23,168	25,425
Other current liabilities & provisions	7,920	10,265	3,282	3,462	3,626
Total current liabilities	29,786	34,482	24,225	26,630	29,051
Net current assets	6,547	6,883	13,472	16,816	21,169
Total assets	**106,737**	**117,341**	**124,623**	**129,303**	**135,051**

Source: Company, YES Sec

Exhibit 14: Income statement

Y/E March (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Revenue	115,299	124,040	130,225	146,742	161,042
% Growth	***5.9***	***7.6***	***5.0***	***12.7***	***9.7***
COGS	62,687	64,470	66,745	74,861	81,789
Staff costs	11,370	12,396	13,386	15,116	16,423
Selling and Distribution	10,853	13,017	14,302	16,171	17,879
Other expenses	8,748	10,156	10,782	11,534	12,613
Total expenses	93,658	100,038	105,215	117,682	128,703
EBITDA	21,641	24,002	25,011	29,060	32,339
% growth	***(4.0)***	***10.9***	***4.2***	***16.2***	***11.3***
EBITDA margin (%)	*18.8*	*19.4*	*19.2*	*19.8*	*20.1*
Other income	4,454	4,824	5,644	5,425	5,947
Interest costs	782	1,242	1,693	778	478
Depreciation	3,110	3,992	4,416	4,464	4,606
Profit before tax (before exceptional items)	22,203	23,593	24,547	29,242	33,202
Exceptional items	0	4	0	0	0
Tax	5,174	5,474	5,646	6,726	7,636
Adjusted PAT	17,072	18,427	19,209	22,825	25,874
Reported PAT	17,072	18,431	19,209	22,825	25,874

Y/E March (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
PAT margin (%)	14.3	14.3	14.1	15.0	15.5
% Growth	***(5.9)***	***6.4***	***4.3***	***19.1***	***13.5***

Source: Company, YES Sec

Exhibit 15: Cash flow statement

Y/E March (Rsmn)	FY23	FY24	FY25E	FY26E	FY27E
PAT	17,242	18,648	18,901	22,517	25,566
Depreciation	3,110	3,992	4,416	4,464	4,606
Other income	(3,867)	(3,517)	(3,952)	(4,647)	(5,469)
(Inc.)/dec. in working capital	(1,601)	1,011	(10,780)	367	(457)
Cash flow from operations	**14,884**	**20,135**	**8,585**	**22,701**	**24,246**
Capital expenditure (-)	(4,857)	(5,609)	(3,709)	(2,230)	(2,253)
Net cash after capex	**10,027**	**14,526**	**4,876**	**20,471**	**21,993**
Inc./(dec.) in investments	(2,117)	490	8,151	1,856	2,200
Cash from investing activities	**(6,974)**	**(5,118)**	**4,442**	**(374)**	**(53)**
Dividends paid (-)	(9,213)	(9,658)	(11,526)	(14,836)	(16,818)
Inc./(dec.) in total borrowings	233	(761)	(4,000)	(3,000)	(3,000)
Others	(1,372)	(1,193)	(1,693)	(778)	(478)
Cash from financial activities	**(10,352)**	**(11,612)**	**(17,218)**	**(18,615)**	**(20,297)**
Opening cash balance	5,701	3,259	6,664	2,472	6,185
Closing cash balance	3,259	6,664	2,472	6,185	10,080
Change in cash balance	(2,442)	3,405	(4,191)	3,712	3,896

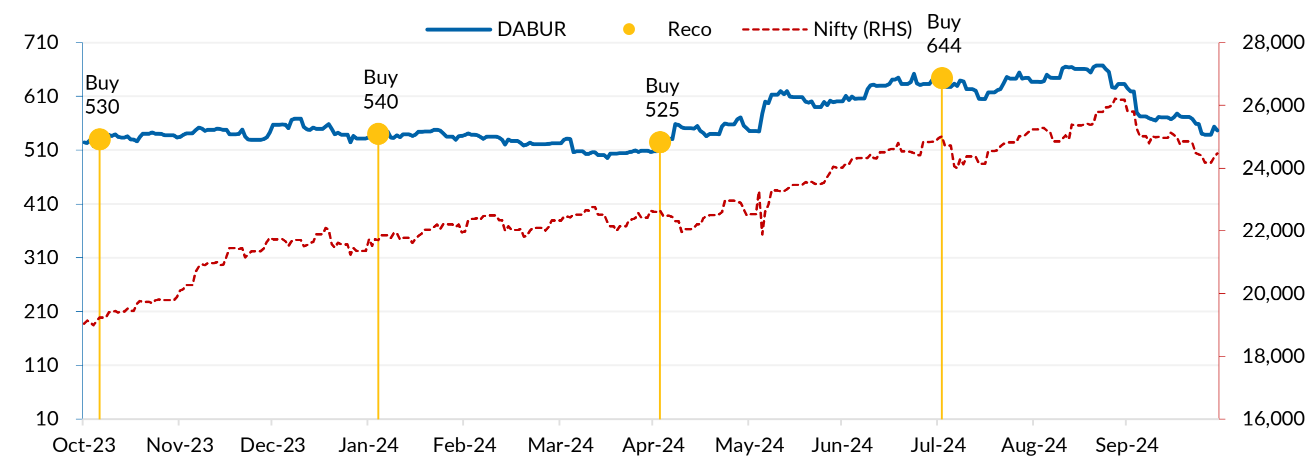
Exhibit 16: Growth and Ratio matrix

Y/E March	FY23	FY24	FY25E	FY26E	FY27E
Per share (Rs)					
EPS	9.6	10.4	10.8	12.9	14.6
Book value	53.3	58.1	64.5	68.8	73.8
DPS	5.2	5.5	6.5	8.4	9.5
Valuation (x)					
EV/sales	7.9	7.3	6.9	6.1	5.5
EV/EBITDA	42.2	37.7	36.1	30.8	27.3
P/E	56.7	52.6	50.4	42.4	37.4
P/BV	10.8	9.8	8.8	8.2	7.6
Return ratios (%)					
RoCE	23.0	22.4	21.9	23.8	25.7
RoE	19.7	19.6	18.4	20.0	21.1
ROIC	58.9	52.8	48.5	53.4	63.7
Profitability ratios (%)					
Gross margin	45.6	48.0	48.7	49.0	49.2
EBITDA margin	18.8	19.4	19.2	19.8	20.1
PAT margin	14.3	14.3	14.1	15.0	15.5
Liquidity ratios (%)					
Current ratio	1.2	1.2	1.6	1.6	1.7
Quick ratio	0.5	0.6	0.7	0.8	0.9
Solvency ratio (%)					
Debt to Equity ratio	0.1	0.1	0.1	0.1	0.0

Y/E March	FY23	FY24	FY25E	FY26E	FY27E
Turnover ratios					
Total asset turnover ratio (x)	1.1	1.1	1.0	1.1	1.2
Fixed asset turnover ratio (x)	3.6	3.6	3.9	4.7	5.7
Debtor days	24	26	23	21	21
Inventory days	115	112	110	103	99
Creditor days	122	130	123	108	108

Source: Company, YES Sec; * pre-tax

Recommendation Tracker



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