

Consumer Staples

India

Sector View: **Attractive** NIFTY-50: **25,517**

July 01, 2025

1QFY26E preview: Status quo on demand

Our expectations: (1) Staples—marginal improvement in yoy revenue growth trends for select names; continued margin pressure owing to the consumption of high-cost RM inventory; and (2) Discretionary—robust growth print in JUBI, PIDI and TTAN, stability in cigarettes and footwear; continued weakness in paints and QSR (ex-JUBI); washout quarter for VBL (weak summer). We expect a decent 1Q print from JUBI, PIDI, UBBL, MRCO and TTAN, and a weak quarter from VBL, CLGT, DABUR, UNSP and paints.

Staples—improving value growth trend; margins decline yoy due to RM inflation

We expect stable-to-improving value growth trends for a few FMCG names, with demand mirroring prior-quarter trends (gradual rural recovery and subdued urban demand). Pricing interventions to counter RM inflation are expected to drive qoq improvement in topline growth trajectory for most. Within the pack, we expect revenue growth of (1) ~23% for MRCO (9% UVG), (2) 12% for TATACONS, (3) ~9%/6.6% for BRIT/NEST; 6.5% for GCPL (6.4% standalone), and 6% for HONASA, and (4) 3.7% for HUVR (3% UVG), 1.8% for JYL, 0.6% for DABUR ((-)-2% standalone), and ~3.5% decline for CLGT. On profitability, we expect margin decline (yoy) across the board, owing to the consumption of high-cost RM inventory; easing RM prices should aid margins starting 2QFY26.

Discretionary: JUBI/PIDI/TTAN resilient, weakness in QSR (ex-JUBI)/Paints/VBL

Paints + PIDI: Paints' value growth was weak as demand remained subdued. Volume/value growth stood at 4%/0.5% for APNT (better than 2HFY25), 8%/3% for BRGR, and 2%/(-)1% for KNPL decorative segments. APNT's EBITDA would be flat (yoy), while we expect BRGR/KNPL to report 10%/(-)8% yoy growth. We expect INDIGOPN to report 1-2% value growth. We estimate relatively robust 9.2% growth for PIDI (standalone), led by 7%/8.3% UVG/value growth in domestic C&B business, and health 24%+ consolidated EBITDA margin.

QSR and footwear: Weak demand trends continued in QSR (except JUBI)—(1) JUBI: should sustain growth momentum and deliver a robust 11.5% LFL growth, resulting in 18%/23% yoy revenue/pre-Ind AS EBITDA growth; (2) WESTLIFE/BK India: 9%/12% yoy revenue growth and 1-2%/3% SSSG; (3) DIL/SF: flat SSSG for KFC each and 4%/7% SSS decline for PH; EBITDA margin for both is expected to be weak, largely due to adverse operating leverage; and (4) in footwear, we expect CAMPUS/METROBRA to report 6%/10.3% yoy revenue growth.

Jewelry, cigarettes and beverages: (1) Titan: we estimate standalone recurring jewelry sales growth of 17.5% yoy (gold price up ~32% yoy), 150 bps yoy drop in studded salience to 24.5% and EBIT margin at 10.8% (down 40 bps yoy), (2) ITC: 4.5%/6%/3.2% volume/value/EBIT growth in cigarettes and 5%/6.8% revenue growth/EBIT margin in FMCG; overall weak EBITDA print, owing to inflationary pressure, (3) VBL: washout quarter with 3%/4%/12.5% decline in consolidated volume/revenue/EBITDA, led by 5% volume decline in India (weak summer) and softness in Africa (except SA), (4) UNSP: 6.5%/7% volume/value growth in P&A and 17.6% EBITDA margin, (5) UBBL: 6.5%/11.2% yoy volume/value growth on a weak base and 13.2% EBITDA margin, (6) IGIL: 13.5/39.5% growth in revenue/EBITDA, and (6) Cello: 12% value growth.

Related Research

- Consumer Staples: 4QFY25 review:
- Consumer Staples: Consumer Staples:
- Consumer Staples: 4QFY25E preview:

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Aggregate sectoral trends (in charts)

Exhibit 1: KIE consumer universe yoy revenue and EBITDA growth trends for FY2025 and 1QFY26E (Rs mn, %)

	Revenue (Rs mn)						EBITDA (Rs mn)					
	FY2025	FY2024	yoy (%)	1QFY26E	1QFY25	yoy (%)	FY2025	FY2024	yoy (%)	1QFY26E	1QFY25	yoy (%)
Staples												
Britannia	179,427	167,693	7.0	46,283	42,503	8.9	31,872	31,698	0.5	8,344	7,537	10.7
Colgate	60,402	56,804	6.3	14,458	14,967	(3.4)	19,581	19,008	3.0	4,721	5,083	(7.1)
Dabur (standalone)	90,707	91,356	(0.7)	24,639	25,142	(2.0)	17,069	18,391	(7.2)	4,540	4,969	(8.6)
Godrej Consumer Products (standalone)	89,102	84,114	4.6	23,022	21,629	6.4	20,995	22,424	(6.4)	4,964	5,343	(7.1)
Hindustan Unilever	614,690	604,690	2.4	159,121	153,390	3.7	142,890	141,900	1.8	35,656	36,060	(1.1)
Honasa Consumer	20,669	19,199	7.7	5,872	5,541	6.0	685	1,371	(50.0)	316	461	(31.4)
Jyothy Labs	28,446	27,549	3.3	7,545	7,412	1.8	4,972	4,778	4.1	1,171	1,329	(11.8)
Marico (standalone)	75,810	70,020	8.3	22,996	18,860	21.9	14,490	14,060	3.1	4,495	4,280	5.0
Nestle	202,016	195,634	3.3	51,304	48,140	6.6	47,617	47,391	0.5	11,913	11,023	8.1
Tata Consumer	176,183	152,059	8.8	48,754	43,521	12.0	24,794	22,841	8.5	6,267	6,674	(6.1)
Staples	1,537,451	1,469,117	4.2	403,993	381,104	6.0	324,964	323,861	0.8	82,388	82,759	(0.4)
Discretionary												
Asian Paints (standalone)	292,629	308,501	(5.1)	79,218	78,816	0.5	60,062	75,850	(20.8)	17,168	16,938	1.4
Berger Paints	115,447	111,989	3.1	32,765	30,910	6.0	18,561	18,613	(0.3)	5,747	5,224	10.0
Campus Activewear	15,930	14,483	10.0	3,590	3,392	5.9	2,435	2,108	15.5	565	517	9.2
Cello	21,364	20,003	6.8	5,607	5,007	12.0	5,104	4,205	21.4	1,247	1,293	(3.5)
Devyani International	49,511	35,563	10.3	13,310	12,219	8.9	4,944	3,807	(5.5)	1,232	1,414	(12.8)
IGI Limited	10,799	NA	NA	2,950	2,600	13.5	6,220	NA	NA	1,770	1,268	39.6
Indigo Paints	13,407	13,061	2.6	3,156	3,110	1.5	2,335	2,381	(1.9)	481	474	1.6
ITC	693,235	626,281	10.7	174,742	170,001	6.7	240,248	234,940	2.3	62,264	62,955	1.0
Jubilant Foodworks (standalone)	61,047	53,409	14.3	16,984	14,396	18.0	7,255	6,743	7.6	2,055	1,670	23.1
Kansai Nerolac	74,967	73,933	1.4	21,129	20,504	3.1	9,741	10,229	(4.8)	3,079	3,344	(7.9)
Metro Brands	25,074	23,567	6.4	6,353	5,761	10.3	7,574	6,996	8.3	2,064	1,804	14.4
Pidlite Industries	131,403	123,830	7.3	37,009	33,954	9.0	30,125	27,060	11.3	8,978	8,127	10.5
Restaurant Brands Asia (standalone)	19,678	17,601	11.8	5,494	4,905	12.0	994	753	32.0	247	175	41.3
Sapphire Foods	28,819	25,943	11.1	7,826	7,183	8.9	2,616	2,716	(3.7)	634	707	(10.3)
Sula Vineyards	5,792	5,677	2.0	1,160	1,209	(4.1)	1,491	1,759	(15.2)	273	340	(19.6)
Titan	548,420	471,140	16.4	130,916	120,530	8.6	58,350	50,240	16.1	14,128	12,110	16.7
United Breweries	89,074	81,154	9.8	27,511	24,730	11.2	8,390	6,949	20.7	3,645	2,847	28.0
United Spirits	115,730	106,919	8.2	25,083	23,520	6.6	20,580	16,956	21.4	4,406	4,580	(3.8)
Varun Beverages	212,573	164,669	16.0	69,167	71,969	(3.9)	49,863	38,002	24.1	17,439	19,912	(12.4)
Westlife Foodworld	24,902	23,909	4.2	6,714	6,161	9.0	1,930	2,625	(26.5)	509	487	4.6
Discretionary	2,549,798	2,301,631	9.4	670,682	640,873	5.7	538,818	512,931	4.3	147,932	146,185	2.1
Total	4,087,249	3,770,748	7.8	1,074,676	1,021,977	5.8	863,782	836,792	2.9	230,320	228,944	1.2

Note:

- (a) Standalone revenue considered for APNT, RBA, DABUR, MRCO, JUBI, UNSP and GCPL
- (b) LFL revenue and EBITDA growth considered for ITC
- (c) Pre-IND AS EBITDA is considered for QSR companies

Source: Company, Kotak Institutional Equities estimates

Our latest revenue estimates for 1QFY26E are lower than post-4QFY25 across many discretionary names

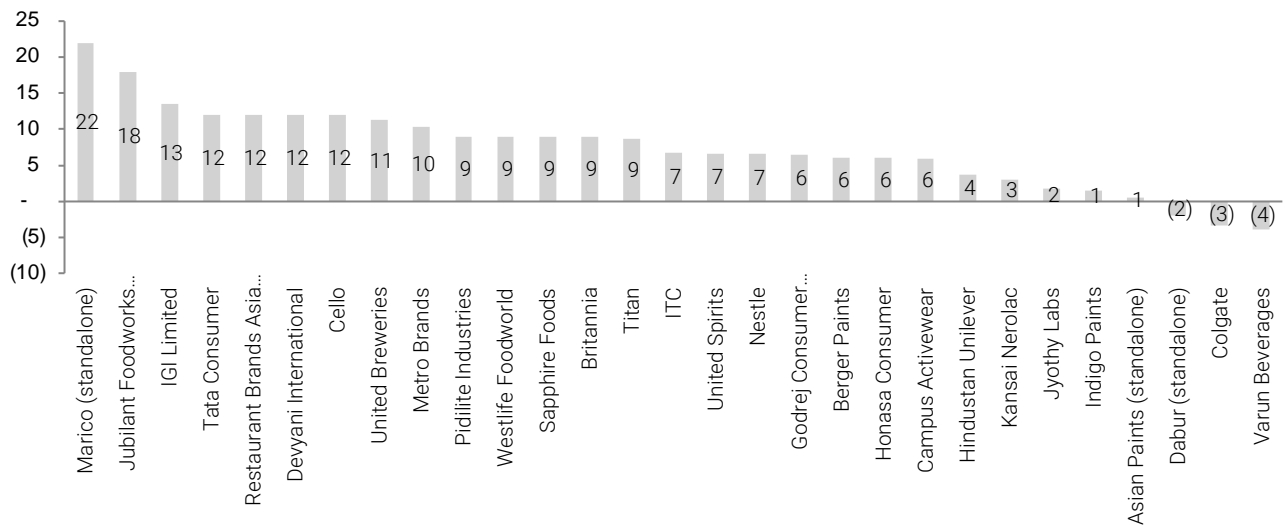
Exhibit 2: KIE consumer universe—old and latest net revenue estimate for 1QFY26E (Rs mn, %)

Company	1QFY26E revenue estimate (Rs mn)		
	Post 4QFY25 results	1QFY26E Preview	Change (%)
Staples			
Britannia	45,747	46,283	1.2
Colgate	14,978	14,458	(3.5)
Dabur (standalone)	26,036	24,639	(5.4)
Godrej Consumer Products (standalone)	23,375	23,022	(1.5)
Hindustan Unilever	159,550	159,121	(0.3)
Honasa Consumer	5,790	5,872	1.4
Jyothy Labs	7,591	7,545	(0.6)
Marico (standalone)	22,385	22,996	2.7
Nestle	50,879	51,054	0.3
Tata Consumer Products	48,566	48,754	0.4
Discretionary			
Asian Paints (standalone)	80,395	79,218	(1.5)
Berger Paints	33,197	32,765	(1.3)
Campus Activewear	3,843	3,590	(6.6)
Cello	NA	5,607	NA
Devyani International	14,006	13,310	(5.0)
IGI Limited	NA	2,950	NA
Indigo Paints	3,358	3,156	(6.0)
ITC (cigarettes)	83,932	83,932	0.0
Jubilant Foodworks (standalone)	16,878	16,984	0.6
Kansai Nerolac	21,652	21,129	(2.4)
Metro Brands	6,562	6,353	(3.2)
Pidilite Industries	37,141	37,009	(0.4)
Restaurant Brands Asia (standalone)	5,739	5,494	(4.3)
Sapphire Foods	8,093	7,826	(3.3)
Sula Vineyards	1,213	1,160	(4.4)
Titan recurring jewelry sales	116,572	116,078	(0.4)
United Breweries	28,000	27,511	(1.7)
United Spirits	26,185	25,083	(4.2)
Varun Beverages	81,909	69,167	(15.6)
Westlife Foodworld	7,118	6,714	(5.7)

Note: Standalone revenue considered for APNT, RBA, Dabur, MRCO, and GCPL

Source: Company, Kotak Institutional Equities estimates

Exhibit 3: KIE consumer universe company-wise revenue growth estimate for 1QFY26E, yoy (%)



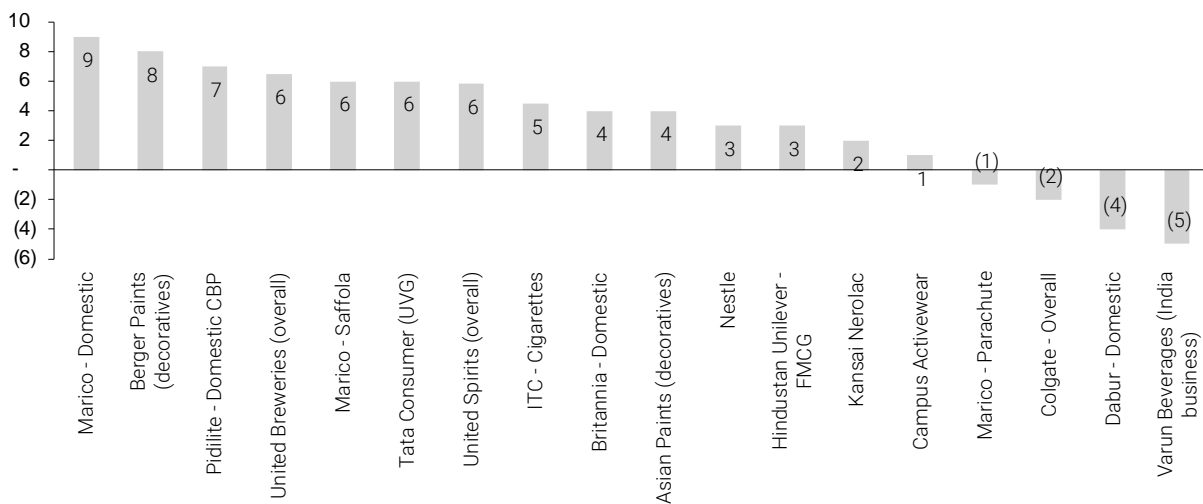
Note:

(a) Standalone revenue considered for APNT, RBA, DABUR, MRCO, JUBI, UNSP and GCPL

(b) LFL revenue growth considered for ITC

Source: Company, Kotak Institutional Equities estimates

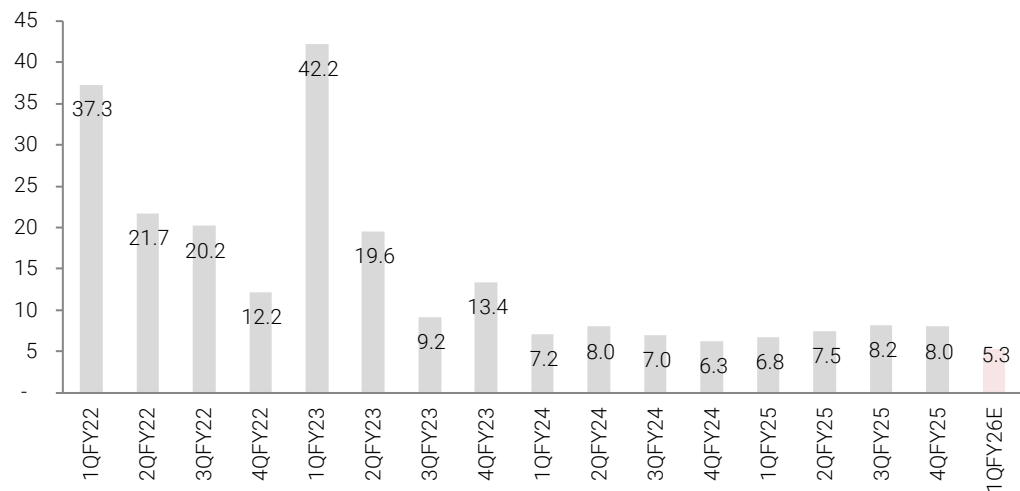
Exhibit 4: KIE consumer universe company-wise volume growth trends for 1QFY26E, yoy (%)



Source: Company, Kotak Institutional Equities estimates

Revenue growth for KIE consumer universe would be about 5.3% (5.8% LFL) yoy in 1QFY26E

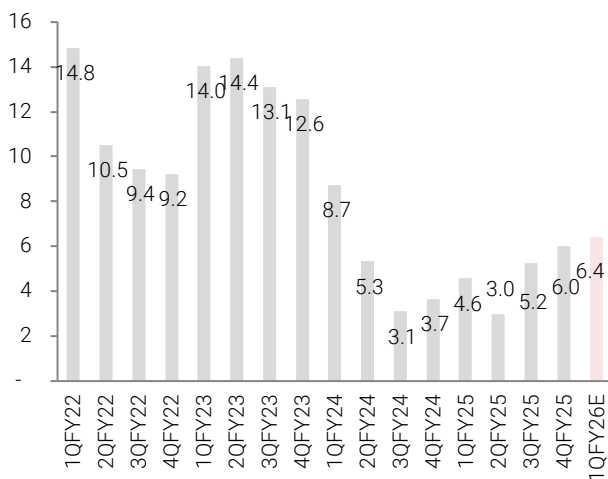
Exhibit 5: KIE consumer universe revenue growth trends, yoy (%)



Source: Company, Kotak Institutional Equities estimates

Staples—we expect revenue growth of 6.4% yoy

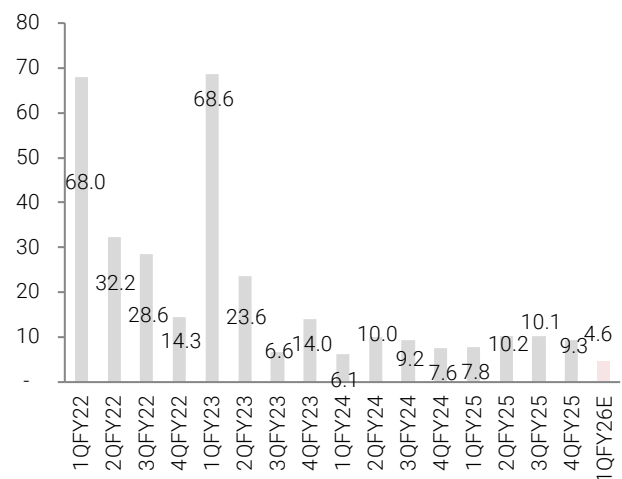
Exhibit 6: KIE consumer staples universe revenue growth trends, yoy (%)



Source: Company, Kotak Institutional Equities estimates

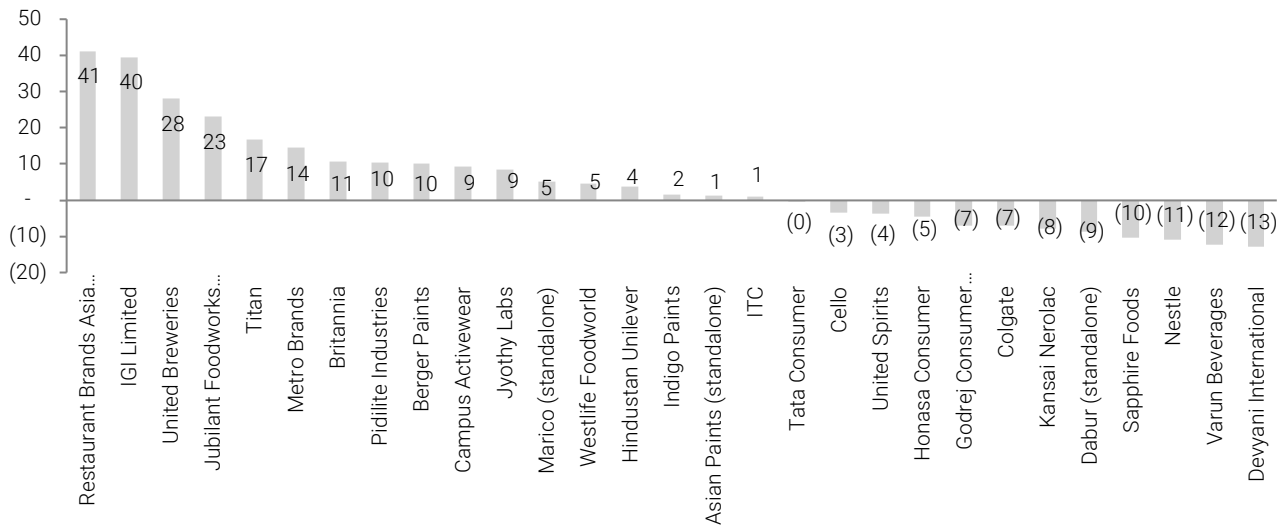
Discretionary—we expect revenue growth of 4.6% (7.5% ex-ITC)

Exhibit 7: KIE consumer discretionary universe revenue growth trends, yoy (%)



Source: Company, Kotak Institutional Equities estimates

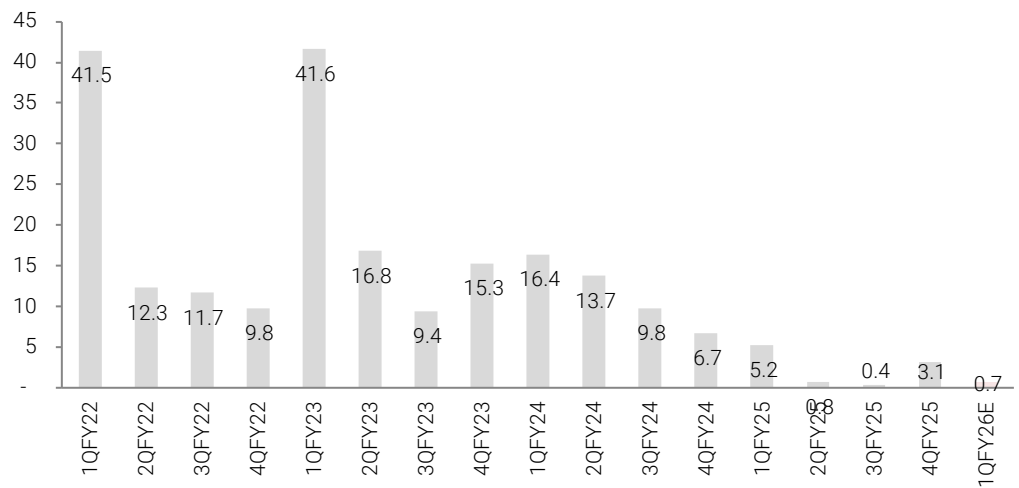
Exhibit 8: KIE consumer universe company-wise EBITDA growth estimate for 1QFY26E, yoy (%)



Source: Company, Kotak Institutional Equities estimates

We expect reported EBITDA growth of 0.7% yoy (1.2% LFL) for KIE consumer universe

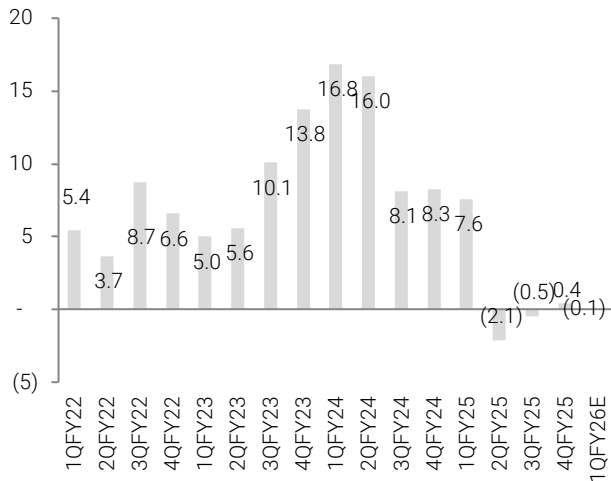
Exhibit 9: KIE consumer universe EBITDA growth trends, yoy (%)



Source: Company, Kotak Institutional Equities estimates

Staples—we expect EBITDA growth to be flat yoy

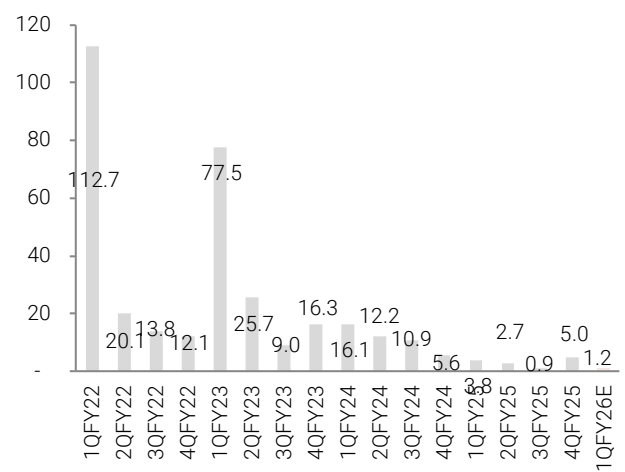
Exhibit 10: KIE consumer staples universe EBITDA growth trends, yoy (%)



Source: Company, Kotak Institutional Equities estimates

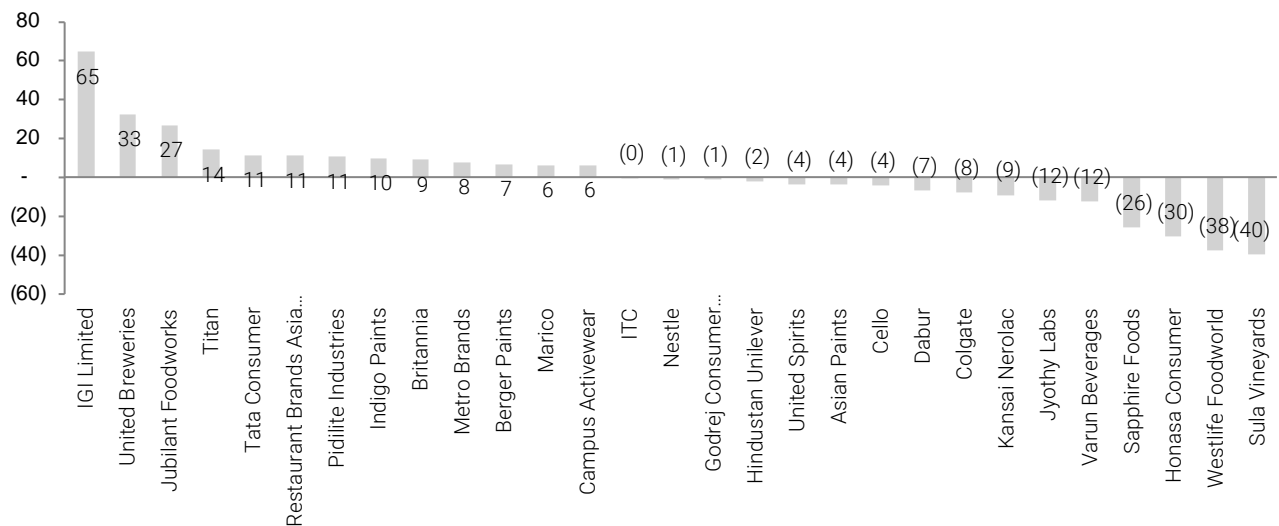
Discretionary—we expect EBITDA growth of 1.2% yoy

Exhibit 11: KIE consumer discretionary universe EBITDA growth trends, yoy (%)



Source: Company, Kotak Institutional Equities estimates

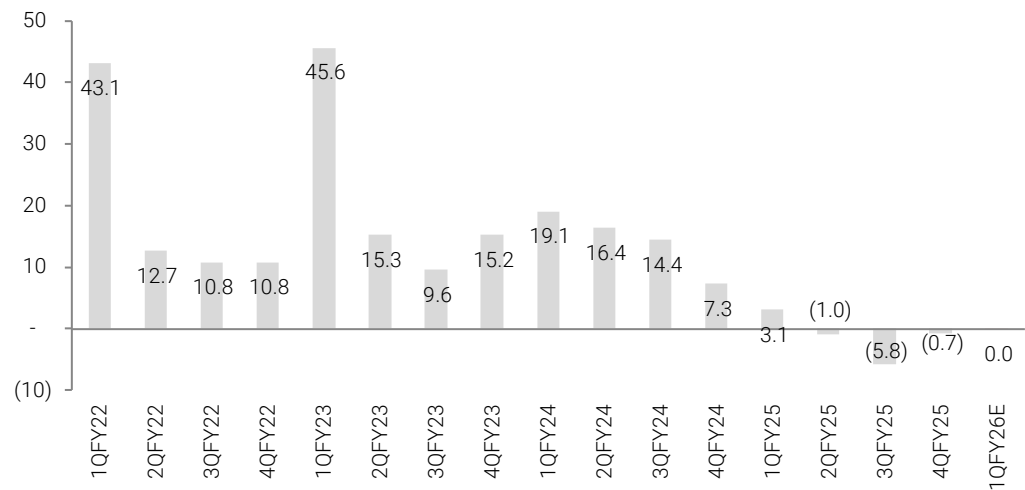
Exhibit 12: KIE consumer universe company-wise recurring PAT growth estimate for 1QFY26E, yoy (%)



Source: Company, Kotak Institutional Equities estimates

Aggregate PAT is expected to be flat yoy

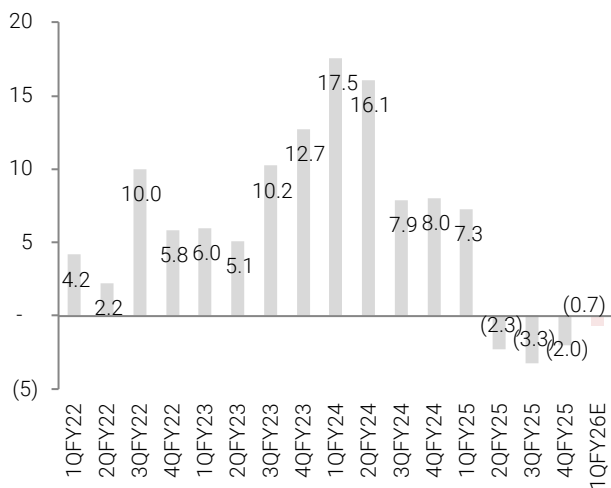
Exhibit 13: KIE consumer universe adjusted PAT growth trends, yoy (%)



Source: Company, Kotak Institutional Equities estimates

Staples—we expect PAT to decline 0.7% yoy

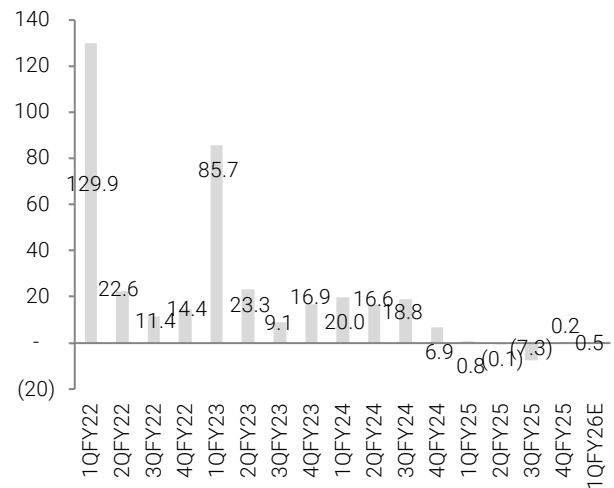
Exhibit 14: KIE consumer staples universe PAT growth trends, yoy (%)



Source: Company, Kotak Institutional Equities estimates

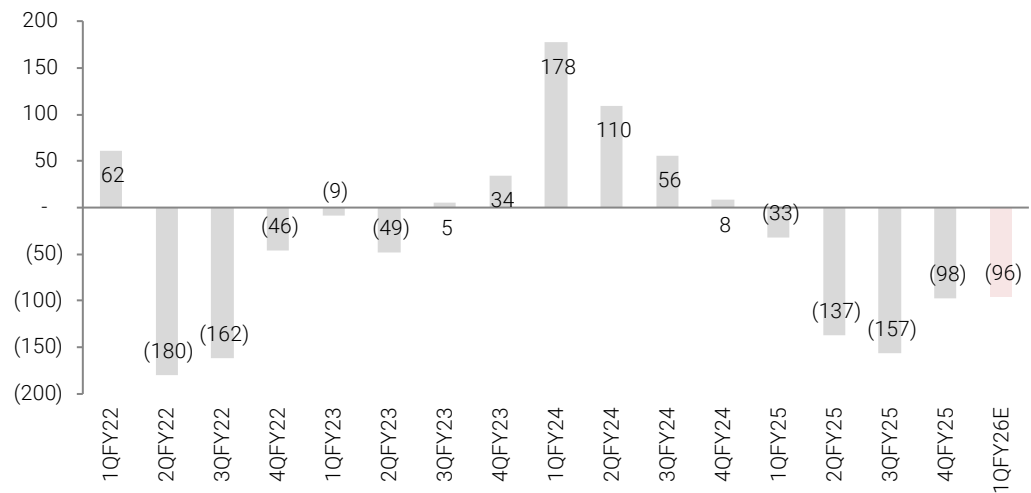
Discretionary—we expect PAT to grow 0.5% yoy

Exhibit 15: KIE consumer discretionary universe PAT growth trends, yoy (%)



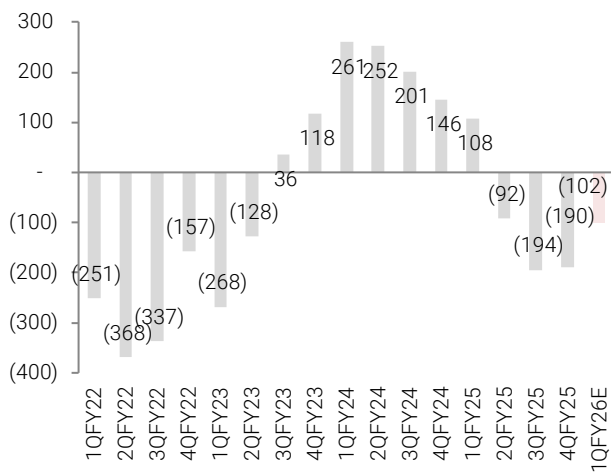
Source: Company, Kotak Institutional Equities estimates

Exhibit 16: KIE consumer universe EBITDA margin change yoy (bps)



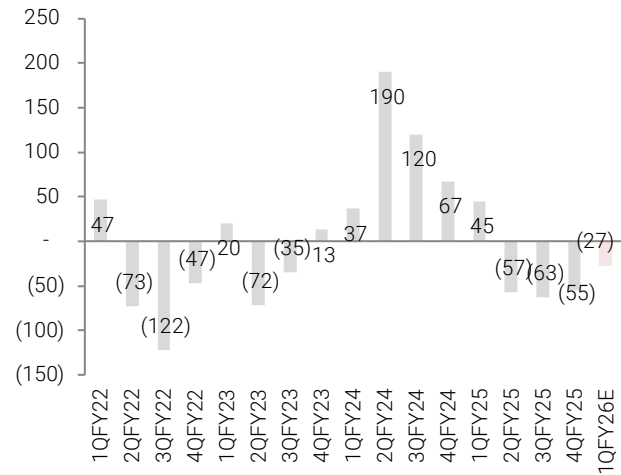
Source: Company, Kotak Institutional Equities estimates

Exhibit 17: KIE consumer universe gross margin change yoy (bps)



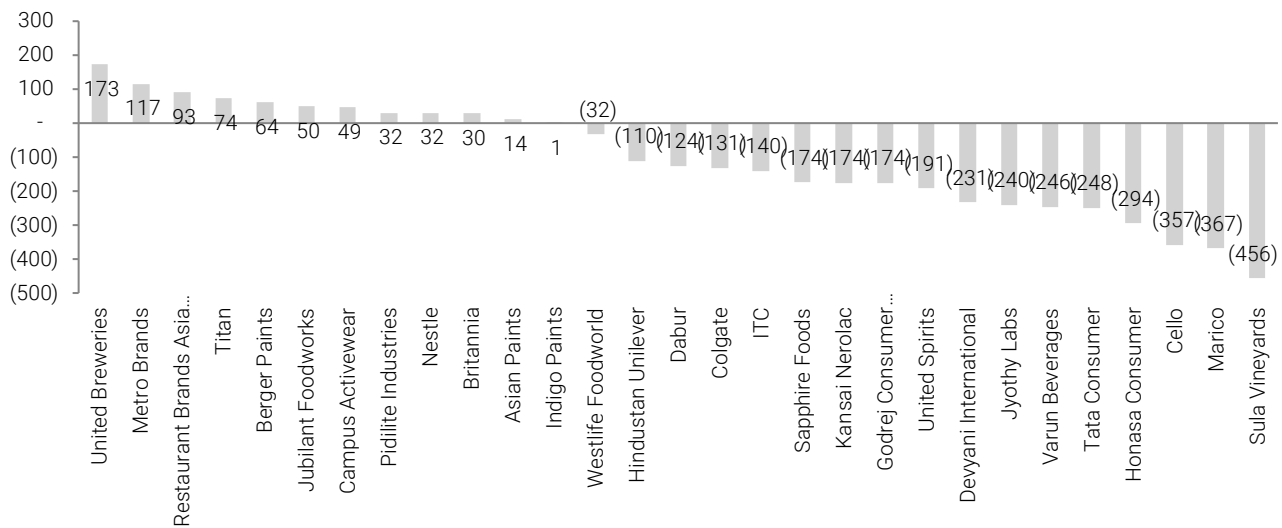
Source: Company, Kotak Institutional Equities estimates

Exhibit 18: KIE consumer universe A&SP change yoy (bps)



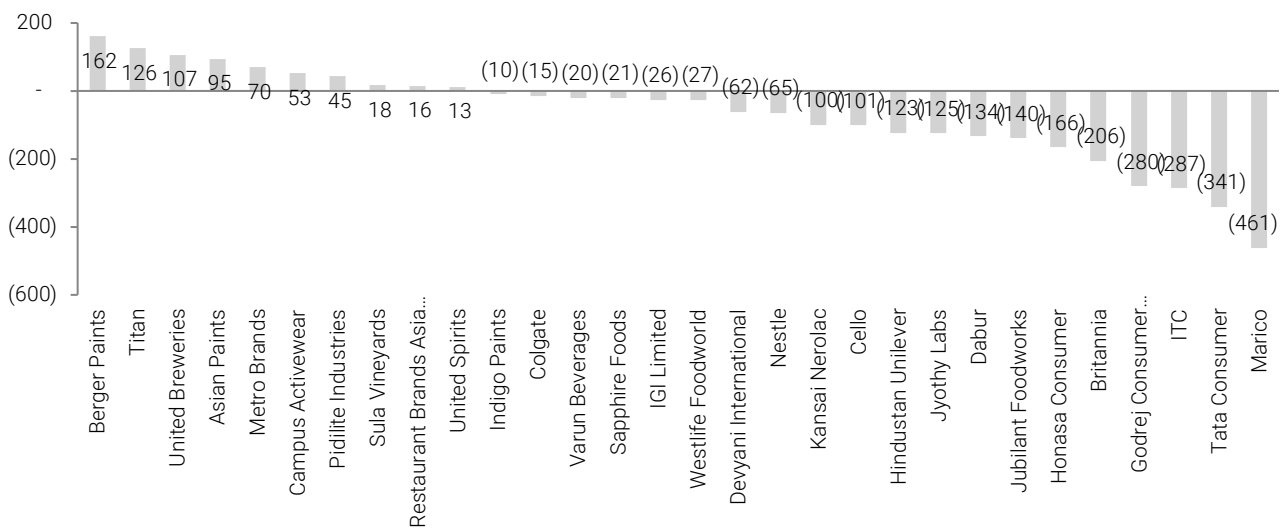
Source: Company, Kotak Institutional Equities estimates

Exhibit 19: KIE consumer universe company-wise EBITDA margin change estimate for 1QFY26E, yoy (bps)



Source: Company, Kotak Institutional Equities estimates

Exhibit 20: KIE consumer universe company-wise GM change estimate for 1QFY26E, yoy (bps)



Source: Company, Kotak Institutional Equities estimates

Exhibit 21: Results preview for KIE consumer universe for the quarter-ending June 2025 (Rs mn)

Company	Jun-24	Mar-24	Jun-25E	YoY (%)	qoq (%)	Comments
Asian Paints (Consolidated)						
Revenues	89,697	83,589	90,264	0.6	8.0	We expect 0.5% yoy growth for the standalone business (largely domestic decorative paints), with mid-single digit (~4% yoy) volume growth (versus -13.9%/1.8% yoy value/volume growth in 4QFY25). The growth remains muted, as demand conditions has not seen any meaningful improvement from prior quarters, particularly in urban markets. We anticipate some uplift in price/mix, partly supported by price hikes implemented over the past year (a cumulative increase of ~1% over the last nine months). We model ~2% yoy growth in subsidiaries, translating into 0.6% yoy growth in consolidated revenue. APNT is realistically targeting single-digit value growth for FY2026E.
Gross margin (%)	42.5	43.9	43.5	95 bps	-45 bps	
EBITDA	16,938	14,362	17,168	1.4	19.5	
EBITDA margin (%)	18.9	17.2	19.0	13 bps	183 bps	
Net income	11,700	8,751	11,258	(3.8)	28.6	We estimate consolidated gross margin at ~43.5% (up 95 bps yoy), aided by a benign raw material environment, though partly weighed down by increased trade spends and an unfavourable mix. EBITDA margin is expected at 19% (up 15 bps yoy/185 bps qoq), as gross margin expansion was partly offset by negative operating leverage and higher operating costs amid intensified competition.
EPS (Rs/share)	12.2	9.1	11.7	(3.8)	28.6	
Restaurant Brands Asia (Standalone)						
Revenues	4,905	4,898	5,494	12.0	12.2	We expect ADS at ~Rs116.5K ((-)/2%/10% yoy/qoq; up in-line with the usual seasonality). We bake in ~15% EOP store growth (10 net restaurant additions qoq), taking the total count to 523 and resulting in a revenue growth of 12% yoy to ~Rs5.5 bn. We build ~3% SSSG (versus 5.1% in 4QFY25) as underlying demand environment has not seen any meaningful improvement (some moderation from good print in 4Q).
Gross margin (%)	67.6	67.8	67.8	16 bps	-3 bps	
EBITDA	175	266	247	41.3	(7.1)	
EBITDA margin (%)	3.6	5.4	4.5	93 bps	-94 bps	
Net income	(269)	(254)	(299)	NA	NA	We model 15 bps yoy improvement in GM (8K India) to 67.8% owing to some pricing actions in prior quarters (largely in delivery channels) and stable RM. We expect 95/(-)95 bps yoy/qoq improvement in BK India's EBITDA margin (pre Ind AS 116) to ~4.5%, led by cost rationalization efforts in the delivery channel, but partly offset by higher marketing investments in the beginning of the fiscal.
EPS (Rs/share)	(0.5)	(0.5)	(0.6)	NA	NA	
Berger Paints						
Revenues	30,910	27,040	32,765	6.0	21.2	We expect Berger to outperform APNT in domestic decorative paints for the current quarter as well. We estimate 8%/3% volume/value growth in decorative paints (some improvement in price/mix qoq), largely in-line with the prior quarter trends (despite their expectation of sequential improvement from 4Q). Industrial coatings is expected to grow at ~8% yoy, sustaining its growth momentum. We expect strong growth in subsidiaries akin to last quarter (adding ~200 bps to consolidated growth rate). Net-net we expect the overall consolidated revenue growth at ~6% yoy.
Gross margin (%)	39.9	42.7	41.5	162 bps	-122 bps	
EBITDA	5,224	4,278	5,747	10.0	34.4	
EBITDA margin (%)	16.9	15.8	17.5	64 bps	172 bps	
Net income	3,536	2,621	3,770	6.6	43.9	We expect ~160 bps yoy improvement in GM to ~41.5%, aided by benign RM environment. We estimate EBITDA margin at ~17.5% (up 65/170 bps yoy/qoq), as GM expansion and operating leverage were partly offset by higher employee spends to support urban initiatives and higher marketing spends.
EPS (Rs/share)	3.0	2.2	3.2	6.6	43.9	
Britannia						
Revenues	42,503	44,322	46,283	8.9	4.4	We model 4% yoy growth in biscuit volumes (versus 3.5%/6% yoy in 4Q/3Q) and +6% yoy price-mix impact (slightly better than 4Q due to lagged impact of hikes), resulting in 10% yoy growth in standalone revenues (versus +9.2% yoy revenue growth ex-OOI in 4Q). We expect other operating revenue to decline 25%, as base quarter included some prior period grants. Consolidated net operating revenue is expected to grow at ~8.9% yoy. Just to recall, without giving specific guidance, BRIT management had earlier indicated its aspiration to deliver DD revenue growth and profit growth ahead of revenue growth in FY2026E.
Gross margin (%)	43.4	40.1	41.3	-207 bps	124 bps	
EBITDA	7,537	8,052	8,344	10.7	3.6	
EBITDA margin (%)	17.7	18.2	18.0	29 bps	-14 bps	
Net income	5,303	5,599	5,783	9.1	3.3	We expect consolidated GM to contract ~205 bps yoy to 41.3% (+115 bps qoq) due to RM inflation (wheat, palm, oil, cocoa, milk), partly offset by price hikes/grammage cuts. We expect EBITDA margin to be up 30 bps yoy to 18%, as GM contraction is offset by lower staff cost and A&P expenses. PBT/PAT are expected to grow by 10.6%/9.1% yoy.
EPS (Rs/share)	22.1	23.3	24.1	9.1	3.3	
Colgate						
Revenues	14,967	14,625	14,458	(3.4)	(1.1)	We expect 2%/3.5% volume/value decline in 1Q, versus flat/2% decline seen last quarter, albeit of a stronger base (HSD/13% volume/value growth in 1QFY25). Colgate had noted last quarter that market weakness, due to urban slowdown, was to linger in the near term and recovery would be towards second half of FY2026E. Price-mix decline of 1.5% is likely on account of higher promotional intensity.
Gross margin (%)	70.6	70.6	70.5	-15 bps	-12 bps	
EBITDA	5,083	4,980	4,721	(7.1)	(5.2)	
EBITDA margin (%)	34.0	34.1	32.7	-132 bps	-141 bps	
Net income	3,640	3,550	3,357	(7.8)	(5.4)	We expect GM to remain stable sequentially at 70.5%, as cost management initiatives offset the impact of investments made in formulation and trade/consumer spends. We estimate A&P spends at 13.5% of sales (versus 12.3%/13.3% in 4QFY25/1QFY25), resulting in EBITDA margin of 32.7% ((-)/130/(-)140 bps yoy/qoq). EBITDA/PAT are expected to decline by 7.1%/7.8%.
EPS (Rs/share)	13.4	13.1	12.3	(7.8)	(5.4)	
Dabur						
Revenues	33,491	28,301	33,677	0.6	19.0	Dabur had hinted at a weak 1Q in its 4Q earnings call. We estimate (-)4%/(-)2% domestic volume/revenue yoy (versus (-)6%/(-)3.7% in 4Q); sequential improvement in value growth is due to lagged impact of price hikes (particularly in healthcare). We expect 2.4% decline in health care (versus 4.6% decline in 4Q, glucose category impacted due to weak summer), 12% decline in F&B (versus 9% decline in 4Q) impacted by a weak summer season and continued loss of share to CSD, and 2% growth in HPC (versus 3.2% decline in 4Q). We estimate 8.3% growth in aggregate revenues of subsidiaries, versus 4Q's 11.6% reported growth. Our estimates imply consolidated revenue growth of 0.6% yoy (versus 0.6% in 4Q).
Gross margin (%)	47.8	46.7	46.5	-134 bps	-23 bps	
EBITDA	6,550	4,269	6,169	(5.8)	44.5	
EBITDA margin (%)	19.6	15.1	18.3	-125 bps	323 bps	
Net income	5,001	3,201	4,668	(6.7)	45.8	We build 135 bps yoy contraction (versus 190 bps decline of 4Q) in consolidated GM, due to price hikes lagging RM inflation (had taken price hike of 3.5% yoy versus RM inflation of 4.5-5% in 4Q). Consolidated EBITDA margin is expected to contract 125 bps yoy to 18.3% as lower GM (yoy) is partly offset by decline in A&P spends (to 6.3% of sales versus 7% in 1QFY25), resulting in EBITDA decline of 5.8% (versus 8.6% decline in 4Q).
EPS (Rs/share)	2.8	1.8	2.6	(6.7)	45.8	
Devyani International						
Revenues	12,219	12,126	13,310	8.9	9.8	We model 20, 3, and 4 net new KFC, PH, Costa stores in 1QFY26, and register ADS for KFC, PH and Costa at ~Rs95.5K ((-)/8%/15.3% yoy/qoq), Rs33K ((-)/8%/7% yoy/qoq), and ~Rs28K ((-)/0.7%/3% yoy/qoq), respectively. We expect revenues from other domestic brands and international outlets at ~Rs650 mn and Rs4.05 bn (expect KFC Thailand to generate Rs3.2-3.3 bn in topline and Nigeria operations slightly improving). We estimate flat SSSG for KFC, implying 600 bps qoq improvement led by higher promotional spends on food aggregator platforms; 4% SSS decline for PH India, as weakness persists. Overall, the demand trends have not seen any material improvement from last quarter.
Gross margin (%)	69.2	68.5	68.5	-62 bps	3 bps	
EBITDA (Pre-Ind AS 116)	1,414	1,081	1,232	(12.8)	14.0	
EBITDA margin (%) (Pre-Ind AS)	11.6	8.9	9.3	-232 bps	34 bps	We estimate gross margin changes of (-)105/(-)80/105 bps yoy for KFC/PH/Costa. Brand contribution (restaurant level) margin for KFC, PH, and Costa at 16% (declined 355/125 bps yoy/qoq due to adverse operating leverage and higher promotions in the food aggregator platforms), flat margins (declined 495/75 bps yoy/qoq), and 15.5% (55/(-)210 bps yoy/qoq), respectively. We expect international operations to register GM/brand contribution margin at 63%/14.7%. We expect corporate overheads to remain stable at Rs553 mn. Pre-Ind AS 116: We expect company-level EBITDA of ~Rs1.23 bn (9.3% margin), registering 12.8% decline yoy on reported basis.
Net income	300	(153)	0	NA	NA	
EPS (Rs/share)	0.2	(0.1)	0.0	NA	NA	
Godrej Consumer Products						
Revenues	33,316	35,980	35,470	6.5	(1.4)	We estimate +4%/+6.4% volume/value growth in domestic business (versus +4%/+7.4% in 4Q) led by 4% growth in HI (versus ~12% in 4Q), 3% growth in soaps (versus ~1% in 4Q) and 3D growth in hair/air care and BCL. We expect Indonesia's growth to moderate to flat yoy in INR terms (versus +1.2% in 4Q), partly impacted by higher price-led competition. GAUM is expected to report low-teen revenue growth and Latam is expected to grow at 5%. Our assumptions imply subsidiary revenue/EBITDA growth of 6.5%/12.1% yoy. Net-net, we expect consolidated growth of ~6.5% yoy (reported).
Gross margin (%)	55.9	52.5	53.1	-281 bps	54 bps	
EBITDA	7,244	7,592	7,095	(2.1)	(6.5)	
EBITDA margin (%)	21.7	21.1	20.0	-175 bps	-110 bps	
Net income	4,710	4,433	4,658	(1.1)	5.1	We model 280 bps yoy contraction in consolidated GM to 53.1% (versus 360 bps decline in 4Q), primarily led by standalone GM contraction of 445 bps yoy (versus 590 bps decline in 4Q). Standalone EBITDA margin is expected at 21.6% (down 105/315 bps qoq/yoy), leading to 1.1% yoy decline in standalone EBITDA. Subsidiary EBITDA margin could improve by 85 bps yoy, primarily led by improvement in margin profile of GAUM. Consolidated EBITDA margin is expected to contract 175 bps yoy to 20% (versus 120 bps contraction in 4Q). Consolidated EBITDA/PBT are expected to decline 2.1%/6.5% yoy. PAT decline is expected to be lower at 1.1% yoy due to a lower tax rate (shift to new regime).
EPS (Rs/share)	4.6	4.3	4.6	(1.1)	5.1	
Hindustan Unilever (Standalone)						
Revenues	153,390	152,140	159,121	3.7	4.6	We expect 1Q to be largely in line with management's guidance on 4Q call, there has not been any change in urban/rural demand versus last quarter. We build 3.7% yoy revenue growth (versus 2.4% in 4Q), led by 3% yoy growth in UVG (versus 2% flat in 4Q/3Q). This implies LSD pricing growth, in line with management guidance. We expect (1) HC growth at 2.5% yoy (versus 1.8% yoy in 4Q), as volume growth is offset by negative pricing growth/higher promotional intensity, (2) BPC revenues to be +5% yoy (versus +3.7% yoy in 4Q), aided by price hikes in soaps, and (3) +2.8% F&R growth (versus 0.4% decline in 4Q) led by price hikes in tea.
Gross margin (%)	51.4	50.5	50.2	-124 bps	-27 bps	
EBITDA	36,060	34,660	35,656	(1.1)	2.9	
EBITDA margin (%)	23.5	22.8	22.4	-111 bps	-38 bps	
Net income	25,720	24,970	25,151	(2.2)	0.7	We model marginal ~25 bps qoq (down 125 bps yoy) contraction in gross margin to 50.2%. We estimate 22.4% EBITDA margin, down 110 bps yoy. We factor in (1) 10 bps increase in royalty, (2) A&P spends at 10% of sales (vs 9.6%/10.7% in 4QFY25/1QFY25), and (4) adverse operating leverage on fixed expenses (including employee spends). EBITDA is expected to decline 1.1% yoy, whereas PBT could decline by 1.7% yoy due to lower other income (cash outflow due to Minimalist acquisition in April 2025).
EPS (Rs/share)	10.9	10.6	10.7	(2.2)	0.7	
ITC (Standalone)						
Revenues	170,001	172,482	174,742	2.8	1.3	We expect some moderation in cigarette volume growth to ~4.5% yoy (versus 6%/5% in 3Q/4QFY25), translating into ~6% growth in gross cigarette sales (versus 7.8%/6% in 3Q/4QFY25). We expect cigarette EBIT growth at ~3.2% yoy, with 165 bps yoy decline in EBIT margin, due to inflation in leaf tobacco and other inputs (Leaf tobacco prices are expected to ease and aid margin recovery from 2Q/3QFY26).
Gross margin (%)	58.2	55.4	55.3	-287 bps	-11 bps	
EBITDA	62,955	59,864	62,264	(1.1)	4.0	
EBITDA margin (%)	37.0	34.7	35.6	-140 bps	92 bps	In the FMCG segment, we estimate (1) ~5% yoy revenue growth (versus 4%/3.7% in 3Q/4QFY25) and (2) EBIT margin at ~6.8% (down 190 bps qoq) largely due to RM inflation in some of the key commodities (edible oil, wheat, potato, etc., moderated qoq). Agri business growth is expected to be at 10% yoy. Paperboards' growth is expected to remain subdued at 6% yoy due to tough operating conditions (subdued domestic demand conditions, weak export markets, weaker net realizations, and cheap Chinese supplies flooding the markets) and report an EBIT margin of ~10% (versus 9.6%/9.2% in 3Q/4QFY25). Net-net, adjusted for demerger of Hotels business, ITC's LFL gross sales/EBIT growth are expected to be ~6.5%/2.2% yoy.
Net income	49,205	48,747	49,185	(0.0)	0.9	
EPS (Rs/share)	3.9	3.9	3.9	(0.3)	0.9	

Source: Company, Kotak Institutional Equities estimates

Exhibit 22: Results preview for KIE consumer universe for the quarter-ending June 2025 (cont.) (Rs mn)

Company	Jun-24	Mar-24	Jun-25E	YoY (%)	qoq (%)	
Jubilant Foodworks (Standalone)						
Revenues	14,396	15,872	16,984	18.0	7.0	We expect JUBI to report standalone revenue growth of ~18% yoy (versus ~19% in 3Q and 4Q), as the growth momentum witnessed over the past few quarters is expected to sustain. Accordingly, for Domino's India, we build LFL growth of ~11.5% yoy (versus 12.5%/12.1% in 3Q/4Q) and ~9.5% yoy growth in Domino's store network to about 2,219 stores (+40 stores qoq). Overall, we expect Domino's India revenue growth to be ~17.5% yoy (versus 18.3%/18.8% in 3Q/4Q). Domino's growth print continues to be impressive in the context of a subdued demand environment and strong LFL print relative to other QSRs.
Gross margin (%)	76.1	74.5	74.7	-140 bps	17 bps	
EBITDA (Pre-Ind AS 116)	1,670	1,871	2,055	23.1	9.8	
EBITDA margin (%) (Pre-Ind AS)	11.6	11.8	12.1	50 bps	31 bps	We estimate GM at 74.7% (140 bps decline yoy), impacted by higher discounts and margin-dilutive launches. We expect ~23% yoy growth in Pre-Ind AS EBITDA to ~Rs2.05 bn and 50 bps yoy improvement in Pre-Ind-AS EBITDA margin to 12.1% (base quarter factors in margin impact due to delivery fee waiver). It implies reported EBITDA margin of 19.5% (15 bps expansion yoy) and reported EBITDA of Rs3.3 bn (up 18.8% yoy).
Net income	515	495	654	27.0	32.2	
EPS (Rs/share)	0.8	0.7	1.0	27.0	32.2	
Jyothy Labs						
Revenues	7,412	6,664	7,545	1.8	13.2	We expect volume/value growth of 4%/1.8% yoy (vs 4%/1% in 4Q). Segment-wise performance: 3%/4%/(-)10%/(-)5% yoy growth in fabric care, dishwash, HI, personal care (versus 2.1%/3.1%/(-)4.8%/(-)8.8% in 4Q). HI is impacted by a weak season and likely market share loss, whereas personal care moderation is partly due to high base. In 4Q earnings call, management had guided MSD volume growth with value growth trailing by 200-300 bps in 1HFY26E.
Gross margin (%)	51.2	49.1	50.0	-125 bps	85 bps	
EBITDA	1,329	1,113	1,171	(11.8)	5.2	
EBITDA margin (%)	17.9	16.7	15.5	-241 bps	-119 bps	We expect gross margin to contract by 125 bps yoy to 50% factoring in likely higher promotions/trade incentives. EBITDA margin is expected to contract by 240 bps yoy to 50% due to GM contraction and adverse operating leverage. EBITDA/PBT are expected to decline by 11-12%.
Net income	1,017	806	896	(11.9)	11.2	
EPS (Rs/share)	2.8	2.2	2.4	(11.9)	11.2	
Kansai Nerolac (Standalone)						
Revenues	20,504	17,404	21,129	3.1	21.4	We expect KNPL to deliver 2%/(-)1% yoy volume/value growth for decorative paints (slightly moderated from 4QFY25). We expect industrial segment to sustain its growth trajectory, akin to last quarter, and deliver revenue growth in high-single digits (~8%) yoy. Net-net, we estimate KNPL standalone revenue growth at ~3% yoy.
Gross margin (%)	37.0	34.6	36.0	-100 bps	138 bps	
EBITDA	3,344	1,778	3,079	(7.9)	73.1	
EBITDA margin (%)	16.3	10.2	14.6	-174 bps	435 bps	We expect 100 bps yoy decline in standalone GM to ~36% (base quarter benefitted from low-cost inventory) supported by benign RM prices. We expect EBITDA margin at 14.6% (175 bps yoy decline), as margins remain under pressure due to elevated operating costs amidst increased competitive intensity. KNPL's full-year EBITDA margin guidance for FY2026E stands at 13-14% band.
Net income	2,411	1,235	2,193	(9.0)	77.6	
EPS (Rs/share)	3.0	1.5	2.7	(9.0)	77.6	
Marico						
Revenues	26,430	27,300	32,458	22.8	18.9	We expect domestic/standalone UVG/revenue growth of +9%/+22%, led by (1) 33%/(-)1% value/volume growth in Parachute, led by price hikes to offset unprecedented copra inflation, (2) 26%/6% value/volume growth in Saffola edible oils, (3) 2% value growth in VAHO, and (4) 20%+ revenue growth in foods (ex-Plix). We expect international business to report 12% growth, and domestic subsidiaries to more than 2x revenues (yoy) led by Plix. Net-net, we expect consolidated revenue growth of 22.8% yoy (versus 19.8% in 4Q).
Gross margin (%)	52.3	48.6	47.6	-462 bps	-94 bps	
EBITDA	6,260	4,580	6,497	3.8	41.9	
EBITDA margin (%)	23.7	16.8	20.0	-367 bps	323 bps	We expect consolidated EBITDA margin to contract by 365 bps to 20%, primarily on account of high RM inflation (copra prices are up 80%+ yoy). Our estimates imply 3.8% EBITDA growth in 1Q. Just to recall, Marico had expected DD revenue growth in FY2026E and that it would strive to deliver DD EBITDA growth as well during the year.
Net income	4,640	3,430	4,928	6.2	43.7	
EPS (Rs/share)	3.6	2.7	3.8	6.2	43.7	
Nestle						
Revenues	48,140	55,039	51,304	6.6	(6.8)	We model ~6.6% yoy growth in net revenues, led by 6.5%/7% growth in domestic/exports (versus 4.2%/(-)8.7% in 4Q). We expect volume (tonnage) growth at 3%, slight improvement versus 2% in 4Q. Growth is expected to be led by powdered liquid and beverages segment (led by pricing) and confectionery, even as milk products/nutrition could continue to lag (challenges in mid-priced baby foods segment and competition from milk co-operative players).
Gross margin (%)	57.6	56.2	57.0	-65 bps	83 bps	
EBITDA	11,023	13,890	11,913	8.1	(14.2)	
EBITDA margin (%)	22.9	25.2	23.2	32 bps	-202 bps	We expect GM to contract 65 bps yoy to 57% (versus 65 bps decline in 4Q), impacted by high inflation in coffee (13% mix in RM basket)/cocoa (2% mix)/milk (20% mix)/wheat (10% mix)/palm oil (11% mix) prices. EBITDA could grow at 8.1% (margin up 30 bps yoy to 23.2%) but PBT is expected to grow only 0.9% due to higher depreciation (+40% yoy).
Net income	7,466	8,854	7,391	(1.0)	(16.5)	
EPS (Rs/share)	7.7	9.2	7.7	(1.0)	(16.5)	
Westlife Foodworld						
Revenues	6,161	6,029	6,714	9.0	11.4	We expect ADS to decline 1.2% yoy to Rs167.3K (versus Rs156K in 4Q, in-line with the seasonal uptick) and 1-2% SSSG (versus 1.7% adjusted SSSG in 4QFY25) on a weak base (6.7% SSS decline in 1QFY25) that was impacted by external issues. The overall demand environment remained subdued with no material improvement or further deceleration (akin to prior quarter trends). We estimate 9% yoy net revenue growth and build in 6 new store additions during the quarter (+10.2% yoy growth in EoP store count).
Gross margin (%)	70.8	70.0	70.5	-28 bps	52 bps	
EBITDA (Pre-Ind AS 116)	487	436	509	4.6	16.7	
EBITDA margin (%) (Pre-Ind AS)	7.9	7.2	7.6	-32 bps	34 bps	We expect GM at ~70.5% (-)30/50 bps decline yoy/qoq, partly impacted by its value focus. Pre-Ind AS 116: We expect company-level EBITDA of ~Rs510 mn (up ~4.5% yoy) and EBITDA margin at ~7.6% (up (-)30/35 bps yoy/qoq) partly impacted by increased royalty (+30 bps yoy) and higher marketing investments. Westlife's long-term guidance for EBITDA margin stands at 15-17%.
Net income	33	15	20	(37.6)	33.4	
EPS (Rs/share)	0.2	0.1	0.1	(37.6)	33.4	
Pidlite Industries						
Revenues	33,954	31,411	37,009	9.0	17.8	We expect 9.2% yoy standalone revenue growth (largely UVG led) driven by 7%/8.3% yoy growth in domestic C&B UVG/sales (versus 8%/9.1% in 4Q) and 13% yoy growth in B2B sales (versus 14.1% growth in 4Q). We expect aggregate revenues of subsidiaries to grow ~6% yoy. Overall, we estimate consolidated revenue growth of 9% yoy. PID's 1Q revenue growth print is robust and continues to be significantly ahead of decorative paints industry growth by 600-800 bps.
Gross margin (%)	53.8	55.0	54.3	44 bps	-79 bps	
EBITDA	8,127	6,326	8,978	10.5	41.9	
EBITDA margin (%)	23.9	20.1	24.3	32 bps	411 bps	We expect consolidated GM at 54.3% (up 45 bps yoy), as crude and VAM prices remained subdued (~\$800/ton VAM China Bloomberg price in 1Q versus \$880/ton PID's consumption cost in 4Q). We expect PID's EBITDA margin to marginally increase by 30 bps yoy to 24.3%, while they continue to invest in brand and manufacturing facilities, and to expand the distribution network.
Net income	5,669	4,473	6,276	10.7	40.3	
EPS (Rs/share)	11.2	8.8	12.4	10.7	40.3	
Sapphire Foods						
Revenues	7,183	7,113	7,826	8.9	10.0	We model 8, 3, and 2 net new KFC, PH, and Sri Lanka stores in 1QFY26E and ADS of ~Rs117K ((-)4.1%/8.3% yoy/qoq), Rs44K ((-)8.3%/4.8% yoy/qoq), and Rs94K (5.6%/(-)1% yoy/qoq), respectively. Overall, demand trends in QSR space remained status quo, largely following prior quarters trends. Our estimates imply flat SSSG (versus 3%/1% SSS decline in 3Q/4Q) for KFC India and 7% SSS decline (versus 5%/1% SSSG in 3Q/4Q) for PH, as the current quarter failed to see any meaningful sequential uptick in the ADS trends.
Gross margin (%)	68.6	68.2	68.4	-22 bps	22 bps	
EBITDA (Pre-Ind AS 116)	707	508	634	(10.3)	24.9	
EBITDA margin (%) (Pre-Ind AS)	9.8	7.1	8.1	-174 bps	96 bps	We estimate flat/60/10 bps yoy decline in GM for KFC/PH/Sri Lanka. We expect the brand contribution (restaurant level) margin for KFC at 16.3% ((-)255/50 bps yoy/qoq) due to weak operating leverage, for PH at (-)1% ((-)560/350 bps yoy/qoq) due to adverse operating leverage, and for SL at 14.5% (130/(-)30 bps yoy/qoq). We expect company-level Pre-Ind AS 116 EBITDA of ~Rs635 mn (down ~10.3% yoy) and EBITDA margin at 8.1% ((-)175/95 yoy/qoq), impacted by weaker margin print across both KFC and PH formats.
Net income	82	59	61	(25.9)	2.9	
EPS (Rs/share)	0.3	0.2	0.2	(26.4)	2.9	
Tata Consumer Products (consolidated)						
Revenues	43,521	46,082	48,754	12.0	5.8	We model 12% yoy growth in consolidated revenues (versus 17.3% in 4Q) led by (a) 3%/11.5% volume/value growth in domestic tea (versus +2%/9% in 4Q), (b) 18% yoy growth in India foods business, led by 13% growth in salts (versus +13% in 4Q), (c) flat revenues (versus 12.7% to 4Q) in NourishCo, impacted by a weak summer and negative realizations growth akin 4Q, (d) 8% growth in international tea, (e) 12.5% growth in EOC (led by pricing), and (f) we expect Rs1.6 bn (+20% yoy, soft on a weak base) and Rs445 mn (+25% yoy, strong on a weak base) revenues from Capital Foods and Organic India respectively. Non-branded businesses (solubles+plantations) is expected to report HSD growth.
Gross margin (%)	44.9	41.9	41.5	-342 bps	-42 bps	
EBITDA	6,674	6,210	6,267	(6.1)	0.9	
EBITDA margin (%)	15.3	13.5	12.9	-248 bps	-62 bps	We expected consolidated GM to contract 340 bps yoy to 41.5% (versus 420 bps decline in 4Q), largely impacted by tea inflation in India business, offset by favorable commodity price movements (in non-branded business) and improvement in international margins. Consolidated EBITDA margin is expected to contract by 250/60 bps yoy/qoq to 12.9%, leading to EBITDA decline of 6.1% yoy. Sequential decline in margin is led by normalization of unbranded business margin. PBT is expected to grow by 6.6%, led by lower net interest cost.
Net income	3,074	2,995	3,425	11.4	14.3	
EPS (Rs/share)	3.2	3.0	3.5	7.3	14.3	
Titan Industries						
Revenues	120,530	134,770	130,916	8.6	(2.9)	We model (1) ~17.5% yoy growth in standalone jewelry sales (excluding sale of gold bullion; versus 25.5%/~25% yoy growth in 3Q/4QFY25), largely due to sharp surge in gold prices (up 30-35% yoy). We expect studded share to decline 150-200 bps yoy (implies studded jewelry growth of 8-10% led by gold price increase), (2) 15% growth in watches division, and (3) ~15% growth in eyewear.
Gross margin (%)	20.9	21.7	22.2	126 bps	53 bps	
EBITDA	12,110	14,380	14,128	16.7	(1.7)	
EBITDA margin (%)	10.0	10.7	10.8	74 bps	12 bps	We estimate LFL recurring standalone jewelry EBIT margin to decline 40 bps yoy to 10.8% largely due to gold price increase (impact at GC level) and decline in studded share. We estimate ~12% EBIT margin for watches and 10.5% EBIT margin for eyewear segments in 4QFY25. Recent surge in gold metal loan interest rates is expected to have some impact at PAT-level.
Net income	7,700	8,700	8,804	14.3	1.2	
EPS (Rs/share)	8.7	9.8	9.9	14.3	1.2	

Source: Company, Kotak Institutional Equities estimates

Exhibit 23: Results preview for KIE consumer universe for the quarter-ending June 2025 (cont.) (Rs mn)

Company	Jun-24	Mar-24	Jun-25E	YoY (%)	qoq (%)	
Campus Activewear						
Revenues	3,392	4,057	3,590	5.9	(11.5)	Demand environment during the quarter was muted due to an early monsoon; Campus was further impacted by an SAP implementation (lost few days of sales). We forecast 1%/6% volume/value growth on a weak base (topline declined by 4.1% in 1QFY25); volume growth would also be impacted by lower sales of open footwear (weak summer). In terms of channels, we expect MBO/DTC online/DTC offline to grow at 5%/6%/7% respectively.
Gross margin (%)	53.0	51.7	53.5	52 bps	178 bps	
EBITDA	517	715	565	9.2	(20.9)	
EBITDA margin (%)	15.3	17.6	15.7	48 bps	-187 bps	
Net income	254	350	269	6.2	(23.1)	
EPS (Rs/share)	1.1	1.5	1.2	7.0	(24.6)	We forecast 55/50 bps yoy expansion in GM to 53.5%/15.7%, partly aided by lower open footwear mix. EBITDA/PAT are expected to grow at 9.2%/6.2%.
Metro Brands						
Revenues	5,761	6,428	6,353	10.3	(1.2)	We forecast 20 net store additions in 1Q (8/8/2/1 in Metro/Mochi/Crocs/Walkway), leading to 8.3% store growth. We expect revenue growth at 10.3%, based on a 2% growth in average revenue per store (partly impacted by an early monsoon and Eid).
Gross margin (%)	59.5	57.5	60.2	70 bps	271 bps	
EBITDA	1,804	1,972	2,064	14.4	4.6	
EBITDA margin (%)	31.3	30.7	32.5	117 bps	180 bps	
Net income	921	949	994	8.0	4.8	
EPS (Rs/share)	3.4	3.5	3.7	8.3	4.9	We expect gross margin to expand by 70 bps yoy to 60.2% (versus 105 bps expansion in 4Q) aided by lower losses in Fila but EBITDA margin (reported) could expand by 115 bps yoy to 32.5%. EBITDA/PBT are expected to grow by 14.4%/9.3% respectively.
United Breweries						
Revenues	24,730	23,214	27,511	11.2	18.5	We model ~6-7% yoy volume growth, reaching ~62 mn cases, supported by a weak base that was impacted by election-related disruptions (affected volume growth by 300-400 bps) and normalized operations in states that were impacted in 4Q (TG and KA markets). However, these tailwinds were partly offset by a weak summer, which weighed on overall volume growth. We expect ~4-5% yoy growth in net realization, led by the full-quarter benefit of price hikes (effective from mid-Feb) in the TG market, along with the ongoing premiumization drive. Net-net, we expect UBBL to report ~11.2% yoy growth in net sales. Management continues to aspire for HSD volume growth and DD value growth over the medium term.
Gross margin (%)	43.0	42.1	44.1	106 bps	200 bps	
EBITDA	2,847	1,862	3,645	28.0	95.7	
EBITDA margin (%)	11.5	8.0	13.2	173 bps	522 bps	We anticipate GM to improve ~105 bps yoy to 44.1%, supported by stable barley and glass prices, and potentially aided by better bottle return rates. EBITDA margin is expected to expand by ~175 bps yoy to 13.2%, driven by GM expansion and operating leverage, which had offset higher costs linked to strategic investments. In the near term, UB margin expansion may be tempered by continued investments in its premium portfolio, supply chain capabilities, visi-coolers, and brand-building initiatives, as well as the strategic absorption of price hikes in markets like KA aimed at consumer upgradation.
Net income	1,733	974	2,299	32.7	136.0	
EPS (Rs/share)	6.6	3.7	8.7	32.7	136.0	
United Spirits (Standalone)						
Revenues	23,520	29,460	25,083	6.6	(14.9)	We model ~6.5% yoy growth in net revenues, with (1) P&A segment volume growth at 6% yoy and taking volumes to ~12.2 mn cases, aided by AP volumes. Net realization growth stood at 0.8% yoy, resulting in overall net sales growth of ~7% yoy. The sequential moderation in volume and net realization growth rates can be attributed to a strong base that benefitted from channel stockpiling related tailwinds (owing to election season); (2) Popular segment volume/value growth is expected to be 5%/6.3% yoy (net realization growth at ~1.3%).
Gross margin (%)	44.5	44.5	44.6	12 bps	13 bps	
EBITDA	4,580	5,050	4,406	(3.8)	(12.8)	
EBITDA margin (%)	19.5	17.1	17.6	-191 bps	42 bps	
Net income	2,990	4,510	2,881	(3.6)	(36.1)	
EPS (Rs/share)	4.1	6.2	4.0	(3.6)	(36.1)	We expect GM to largely remain stable at 44.6%, due to interim stability in ENA prices (expected till Sep-Oct 2025), RGM initiatives, and productivity flowthroughs. We expect EBITDA margin to decline 190 bps yoy (base quarter aided by 100 bps benefit from provision reversal) to ~17.5%, with A&P spends at 8% of sales (versus 7.4% in 1QFY25).
Varun Beverages						
Revenues	71,969	55,669	69,167	(3.9)	24.2	We estimate ~3% yoy decline in volumes to ~389 mn cases, driven by (1) ~5% yoy contraction in domestic volumes, marking its weakest volume growth print (ex-covid impacted quarters). The volume decline was attributed to a tepid summer season, disruptions due to unseasonal rains across several geographies, and early onset of monsoons, and (2) ~5% yoy increase in international volumes, wherein DD volume growth in the SA market was partly offset by subdued performance in ex-SA markets (2.2% growth) owing to a confluence of market-specific headwinds. We build ~0.8% yoy net realization decline, primarily led by weaker realization in the domestic market (SA impact is now factored in base). Net-net, we estimate ~4% yoy decline in consolidated revenues.
Gross margin (%)	54.7	54.6	54.5	-21 bps	-8 bps	
EBITDA	19,912	12,640	17,439	(12.4)	38.0	
EBITDA margin (%)	27.7	22.7	25.2	-246 bps	250 bps	
Net income	12,526	7,265	10,986	(12.3)	51.2	
EPS (Rs/share)	3.9	2.1	3.2	(15.8)	51.2	We model ~20 bps yoy decline in GM to ~54.5%. We expect consolidated EBITDA margin to decline ~245 bps yoy to 25.2%, largely due to adverse operative leverage. Standalone EBITDA margin is expected to decline 250 bps yoy to ~27.5%. Our estimates imply a ~12.5% yoy decline in reported consolidated EBITDA and ~11.5% yoy reduction in PBT, partly supported by lower interest expenses, following debt repayment through QIP proceeds.
Indigo Paints						
Revenues	3,110	3,876	3,156	1.5	(18.6)	We expect the Indigo paints' consolidated growth at 1-2% yoy (versus 0.7% growth in 4Q), largely in-line with the industry growth and below its aspiration to deliver 2.5-3X revenue growth. The weak growth print is attributable to broad-based consumption slowdown and heightened competitive intensity.
Gross margin (%)	46.6	46.8	46.5	-10 bps	-33 bps	
EBITDA	474	874	481	1.6	(45.0)	
EBITDA margin (%)	15.2	22.6	15.2	0 bps	-732 bps	
Net income	267	574	293	10.0	(48.9)	
EPS (Rs/share)	5.6	12.1	6.2	10.0	(48.9)	We expect GM to be largely stable yoy at 46.5%, as RM benefits were offset by higher trade discounts and weakening product mix. We expect EBITDA margin at 15.2% (flat yoy), largely due to weak operating leverage, but partly aided by some decline in A&P spends as a percentage of sales.
Sula Vineyards						
Revenues	1,209	1,257	1,160	(4.1)	(7.7)	We expect ~4% yoy decline in net sales, as the base quarter was aided by Rs100 mn one-time WIPS unwinding benefit. On LFL basis, net sales growth is expected to be at ~4.5% yoy. Own brands growth (LFL) is expected to be ~3% yoy, led by 9% growth in elite and premium wines (base quarter impacted due to elections) and 10% decline in economy and popular wines (strong sales growth in the base quarter was driven by primary sales to then appointed super distributor in MH). Hospitality business is expected to grow ~13% yoy, led by good recovery in footfalls.
Gross margin (%)	80.7	82.8	80.9	18 bps	-191 bps	
EBITDA	340	285	273	(19.6)	(4.1)	
EBITDA margin (%)	28.1	22.6	23.5	-456 bps	88 bps	
Net income	146	130	88	(39.5)	(32.1)	
EPS (Rs/share)	1.7	1.5	1.1	(39.5)	(32.1)	We expect GM to be largely stable yoy at ~81%. We expect EBITDA margin at ~23.5% (down 455 bps yoy on reported basis), up ~200 bps yoy adjusted for the one-time WIPS benefit impact, driven by reduced S&D spends and calibrated sales force recruitment.
Cello World						
Revenues	5,007	5,888	5,607	12.0	(4.8)	We expect Cello's topline to grow by 12% yoy, led by 17.7%/(-)5%/7% growth in consumerware, writing instruments (management was expecting positive growth in 2H), and molded furniture; CW sales growth assumes Rs350 mn incremental turnover from new GW plant and 7% growth in other CW businesses (partly impacted by high channel inventory and weak summer season in hydration category).
Gross margin (%)	53.8	51.9	52.8	-102 bps	91 bps	
EBITDA	1,293	1,352	1,247	(3.5)	(7.7)	
EBITDA margin (%)	25.8	23.0	22.2	-357 bps	-72 bps	
Net income	826	882	792	(4.1)	(10.2)	
EPS (Rs/share)	3.9	4.0	3.6	(7.9)	(10.2)	We forecast GM/EBITDA margin to be down 100/355 bps yoy to 52.5%/22.3%, implying 3.5% decline in EBITDA. Margins are partly impacted due to underabsorption of overheads pertaining to new GW plant. EBIT is expected to decline by 9% yoy due to higher depreciation (new GW plant). Higher other income is expected to mitigate the impact at PBT level (expect 2.6% decline).
Honasa Consumer						
Revenues	5,541	5,336	5,872	6.0	10.1	We expect Honasa to deliver ~6% topline growth (on high base) to ~Rs5.9 bn, driven by (1) Mamaearth brand witnessed MSD revenue decline. Focus categories continued to see decent uptick in the MT + Ecom channels (DD growth akin to 4Q) as Honasa altered the existing playbook and experimented with new initiatives. However, GT channel declined yoy as it remains challenging and base was strong last year. We expect no further impact from the channel inventory correction, (2) new brands continued strong growth momentum (18-20% growth yoy) with TDC tracking ~25% yoy growth. However, Aqualogica and Dr. Sheth's growth had slightly moderated, as the sunscreen category was impacted due to weak summer. For FY2026E, Honasa's growth target stands at 13-14% yoy.
Gross margin (%)	71.7	70.7	70.0	-167 bps	-73 bps	
EBITDA	461	270	316	(31.4)	17.1	
EBITDA margin (%)	8.3	5.1	5.4	-294 bps	32 bps	
Net income	403	250	280	(30.4)	12.2	
EPS (Rs/share)	1.3	0.8	0.9	(30.4)	12.2	We model GM at 70% (down 165/75 bps yoy/qoq). EBITDA margin is expected to witness some sequential improvement to ~5.5% (/-)295/30 bps yoy/qoq, partly impacted by sustained marketing investments, experimentation-led initiatives, and higher ESOP costs (100 bps impact). For full year FY2026E, Honasa intends to come back to FY2024 margin levels.
IGI Limited						
Revenues	2,600	3,048	2,950	13.5	(3.2)	We build 13.5% consolidated revenue growth, led by high-teens volume growth (versus 27% volume growth in 1QCY25), offset by price correction taken in LGD (20% price cut taken in April 2024). We estimate 15%/8.7% yoy growth in standalone/subsidiaries (versus 12.2%/1.9% in 4Q). We expect business mix to be similar to last quarter, in line with management's guidance. Overall, management had guided 20%+ volume growth and 15-20% revenue growth for the full year.
Gross margin (%)	99.8	99.8	99.5	-27 bps	-35 bps	
EBITDA	1,268	1,957	1,770	39.6	(9.6)	
EBITDA margin (%)	48.8	64.2	60.0	1122 bps	-421 bps	
Net income	778	1,407	1,281	64.6	(8.9)	
EPS (Rs/share)	2.0	3.3	3.0	51.1	(8.9)	We forecast consolidated EBITDA margin at 60%, up ~11 ppts yoy on a low base (and versus 64.2% in 4Q). Margin improvement is largely led by better profitability in international businesses and operating leverage in LGD business. We are expecting standalone/subsidiary EBITDA margin to expand by 9.6/14.2 ppts to 72%/20.2%. Management had guided earlier that their consolidated EBITDA margins are likely to remain >57%, due to operating leverage.

Source: Company, Kotak Institutional Equities estimates

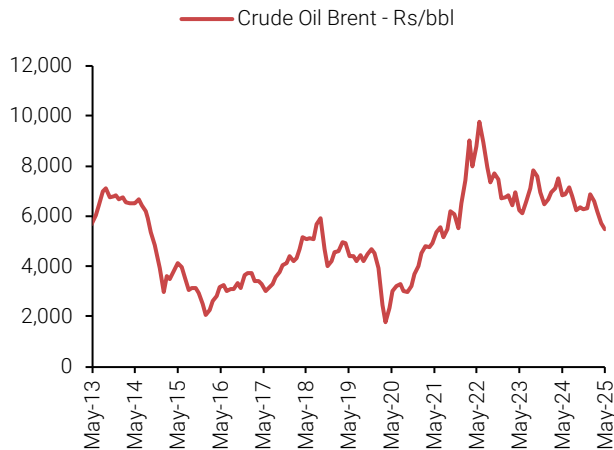
Exhibit 24: KIE consumer universe valuation summary

		FV	1-Jul-25	Upside /	Mkt cap.		EPS (Rs)			EPS growth (%)			PER (x)			CAGR - (2025-28E), %			
Company	Rating	(Rs)	Price (Rs)	(downside)	(Rs bn)	(US\$ mn)	2026E	2027E	2028E	2026E	2027E	2028E	2026E	2027E	2028E	EPS	Sales		
Consumer																			
Asian Paints	REDUCE	2,250	2,341	(4)	2,246	27,553	44.1	50.8	56.7	4.8	15.4	11.5	53.1	46.0	41.3	10.5	7.2		
Berger	SELL	505	593	(15)	691	8,475	10.7	11.8	13.6	5.4	10.9	14.7	55.5	50.1	43.6	10.3	7.7		
Britannia Industries	ADD	5,700	5,851	(3)	1,410	17,295	103.0	116.0	131.1	12.7	12.6	13.0	56.8	50.4	44.6	12.7	9.2		
Restaurant Brands Asia (Standalone)	REDUCE	85	83	3	41	501	(1.1)	(0.7)	(0.3)	(24.5)	(37.1)	(55.6)	NA	NA	NA	(40.5)	15.7		
Campus Activewear	ADD	315	280	13	85	1,047	5.1	6.3	7.5	29.6	21.7	20.3	54.4	44.7	37.1	23.8	13.2		
Cello World	BUY	735	610	20	130	1,589	17.0	19.4	21.6	10.5	14.1	11.5	36.0	31.5	28.3	12.0	11.0		
Colgate	REDUCE	2,535	2,407	5	655	8,034	53.8	59.1	64.2	1.9	9.7	8.8	44.7	40.8	37.5	6.7	6.4		
Dabur	REDUCE	490	485	1	860	10,550	11.0	12.2	13.8	10.1	10.8	13.7	44.2	39.9	35.1	11.5	8.5		
Devyani International	BUY	190	168	13	202	2,478	(0.1)	0.4	0.7	NA	NA	94.1	NA	NA	NA	70.4	11.8		
GCPL	ADD	1,285	1,178	9	1,205	14,789	22.5	26.0	29.1	20.1	15.7	11.6	52.4	45.3	40.6	15.8	8.7		
HUL	ADD	2,300	2,295	0	5,392	66,163	44.5	49.5	53.8	2.3	11.2	8.8	51.6	46.4	42.6	7.4	7.9		
Honasa Consumer	ADD	275	311	(11)	100	1,227	3.8	5.8	7.3	69.8	51.9	26.0	81.8	53.9	42.7	48.1	11.8		
ITC	ADD	480	416	15	5,176	63,505	16.7	18.1	19.7	6.8	8.1	9.0	24.9	23.1	21.2	8.0	7.4		
Jubilant Foodworks	ADD	720	702	3	463	5,682	4.8	6.9	8.4	45.6	42.7	22.3	145.4	101.9	83.3	36.5	13.8		
Jyothy labs	SELL	350	346	1	127	1,560	10.1	11.0	12.2	(1.2)	9.4	10.5	34.3	31.4	28.4	6.1	8.0		
Kansai Nerolac	REDUCE	265	252	5	204	2,501	9.4	10.3	11.5	12.1	9.6	12.1	26.9	24.6	21.9	11.3	6.8		
Marico	REDUCE	675	722	(7)	932	11,434	13.8	15.3	16.8	9.3	10.8	9.9	52.3	47.3	43.0	10.0	8.9		
Metro Brands	SELL	1,100	1,150	(4)	313	3,837	16.5	20.0	24.0	27.0	21.5	20.2	69.9	57.5	47.9	22.9	16.5		
Nestle	REDUCE	2,250	2,465	(9)	2,377	29,166	34.6	39.5	45.0	10.5	13.9	14.0	71.2	62.5	54.8	12.8	9.4		
Pidlite Industries	ADD	3,175	3,054	4	1,553	19,061	47.0	52.7	59.1	13.7	12.3	12.0	65.0	57.9	51.7	12.7	10.2		
Sapphire Foods	ADD	365	329	11	105	1,285	0.8	1.9	2.9	(19.2)	137.0	49.6	NA	NA	114.7	42.0	12.6		
Tata Consumer Products	ADD	1,185	1,099	8	1,047	12,847	17.2	21.6	25.7	32.4	26.1	18.5	64.0	50.8	42.8	25.5	9.4		
Titan	REDUCE	3,375	3,690	(9)	3,276	40,198	50.3	59.3	67.6	18.8	17.9	14.0	73.4	62.3	54.6	16.9	14.3		
United Breweries	REDUCE	1,925	1,951	(1)	516	6,330	27.6	35.2	42.0	51.8	27.8	19.1	70.8	55.4	46.5	32.2	11.7		
United Spirits	ADD	1,475	1,428	3	1,038	12,733	21.2	24.5	27.7	8.9	15.6	12.9	67.3	58.2	51.6	12.4	8.6		
Varun Beverages	ADD	570	458	25	1,486	18,235	9.7	10.8	12.4	26.6	11.5	14.3	47.1	42.3	37.0	17.3	13.4		
Westlife Foodworld	REDUCE	700	750	(7)	117	1,432	3.7	6.8	10.1	372.9	83.4	49.8	NA	NA	73.9	135.1	13.3		
Indigo Paints	REDUCE	1,000	1,162	(14)	55	679	27.6	31.1	34.7	(7.2)	12.4	11.6	42.0	37.4	33.5	5.2	8.8		
Sula Vineyards	ADD	325	304	7	26	314	8.8	9.9	10.9	6.1	11.9	10.1	34.3	30.7	27.8	9.3	9.1		
IGI Limited	REDUCE	375	378	(1)	150	1,841	11.8	13.4	15.0	14.7	13.4	12.3	32.0	28.2	25.1	13.5	13.8		
KIE universe					31,975	392,337				8.0	10.5	9.6	47.4	42.1	37.7	11.4	9.7		
KIE universe (ex-ITC)					26,800	328,832				11.5	8.1	9.0	57.5	50.2	44.6	12.9	10.1		
Price performance (%)																			
	1-mo	3-mo	6-mo	1-yr	EV/EBITDA (x)													Dividend yield (%)	
					2026E	2027E	2028E	EV/Sales (x)			FCF yield (%)			2026E		2027E			
Asian Paints	4	0	3	(20)	34.4	32.9	30.2	6.2	5.9	5.4	1.2	1.8	1.9	1.1	1.2				
Berger	4	18	32	18	34.6	32.4	29.0	5.5	5.2	4.8	1.9	2.1	2.3	0.6	0.7				
Britannia Industries	6	19	23	7	39.3	35.5	31.7	7.2	6.6	6.0	1.7	1.7	2.0	1.5	1.8				
Restaurant Brands Asia (Standalone)	2	37	(3)	(17)	10.6	9.4	7.9	1.6	1.5	1.3	(1.0)	(1.8)	0.4	0.0	0.0				
Campus Activewear	(4)	21	(13)	(4)	28.7	25.0	21.6	4.7	4.2	3.7	1.3	1.4	1.8	0.5	0.6				
Cello World	(1)	12	(19)	(31)	22.6	21.3	19.0	5.1	4.9	4.4	2.1	2.4	2.0	1.1	1.4				
Colgate	(2)	1	(10)	(15)	31.1	29.1	26.9	10.2	9.7	9.0	2.3	2.3	2.6	2.2	2.4				
Dabur	0	(4)	(4)	(19)	32.8	30.7	27.6	6.2	5.8	5.4	2.4	2.3	2.4	1.3	1.5				
Devyani International	0	12	(8)	2	22.0	18.3	16.2	3.7	3.2	2.9	1.2	1.5	1.7	0.7	0.1				
GCPL	(4)	2	9	(14)	35.5	31.5	28.9	7.7	7.1	6.5	1.8	1.9	2.2	0.9	1.1				
HUL	(2)	2	(1)	(7)	35.7	32.8	30.0	8.0	7.5	7.0	1.9	2.1	2.1	1.7	2.0				
Honasa Consumer	(2)	34	22	(28)	62.1	43.2	34.0	4.0	3.8	3.5	1.3	1.8	2.1	0.0	0.0				
ITC	(0)	2	(9)	4	18.8	18.3	16.8	6.5	6.5	6.0	3.7	3.8	4.1	3.4	3.7				
Jubilant Foodworks	7	6	(2)	25	32.3	26.9	24.0	6.6	5.7	5.2	0.4	1.0	0.4	0.5	0.7				
Jyothy labs	0	5	(13)	(20)	24.5	23.9	21.6	4.0	3.9	3.5	2.4	2.7	2.5	1.6	1.7				
Kansai Nerolac	(0)	9	(4)	(6)	16.7	17.6	15.8	2.3	2.4	2.2	1.8	2.7	2.6	1.5	1.9				
Marico	1	11	13	18	38.6	35.0	31.6	7.7	7.3	6.7	1.7	1.8	2.0	1.5	1.6				
Metro Brands	(5)	14	(4)	(5)	33.7	29.2	24.8	10.6	9.3	7.9	0.9	1.1	1.3	0.6	0.7				
Nestle	3	10	14	(3)	46.2	41.1	36.8	10.9	10.0	9.0	0.5	1.5	1.8	0.8	1.0				
Pidlite Industries	(2)	7	5	(3)	44.5	41.5	37.5	10.4	9.7	8.8	1.2	1.5	1.6	0.7	0.9				
Sapphire Foods	3	12	(0)	5	18.9	16.4	14.4	3.1	2.9	2.5	1.1	1.3	1.1	0.3	0.5				
Tata Consumer Products	(1)	10	20	1	34.9	30.2	26.6	5.3	5.0	4.5	2.0	2.3	2.6	0.9	1.1				
Titan	4	20	13	8	46.0	39.0	34.0	4.9	4.2	3.6	0.4	0.7	0.7	0.4	0.4				
United Breweries	(1)	(2)	(4)	(2)	42.6	34.2	29.3	5.1	4.6	4.2	0.6	1.0	1.1	0.8	1.2				
United Spirits	(6)	2	(12)	12	45.1	40.8	36.6	8.1	7.6	7.0	1.0	1.0	1.4	0.5	0.6				
Varun Beverages	(4)	(15)	(28)	(30)	27.2	24.8	22.4	6.4	5.7	5.1	0.7	1.3	1.6	0.3	0.4				
Westlife Foodworld	12	7	(5)	(11)	27.9	22.1	18.4	4.2	3.6	3.2	(0.2)	0.3	0.2	0.0	0.0				
Indigo Paints	8	23	(17)	(15)	22.9	22.3	20.3	3.6	3.5	3.2	1.4	1.9	2.2	0.4	0.5				
Sula Vineyards	3	13	(27)	(39)	17.2	14.3	13.1	4.5	3.7	3.4	2.2	2.6	2.9	0.8	1.1				
IGI Limited	(3)	(2)	(32)	-	20.1	18.6	16.7	11.8	10.8	9.7	3.3	3.6	4.0	1.6	1.8				
KIE FMCG universe	1	5	1	(4)	31.7	29.0	26.2	6.7	6.2	5.6	1.7	2.0	2.2						
KIE universe (ex-ITC)	1	6	3	(5)	36.3	32.7	29.4	6.7	6.1	5.6	1.1	1.4	1.5						
Sensex	3	8	7	6															

Source: Company, Kotak Institutional Equities estimates

Crude oil prices have largely been stable

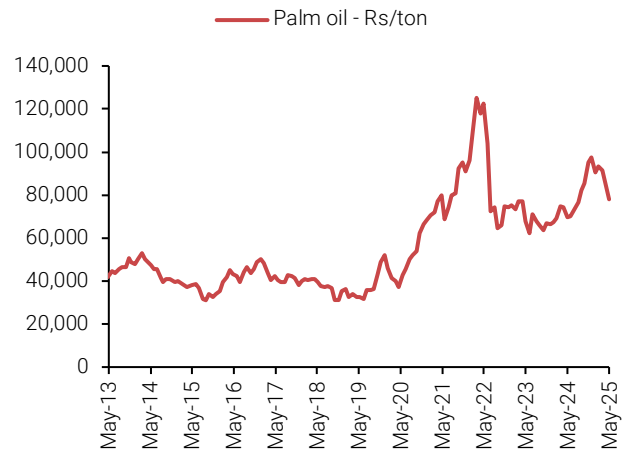
Exhibit 25: Brent crude oil monthly price chart (Rs per barrel)



Source: Bloomberg, Kotak Institutional Equities estimates

Palm oil prices have seen sharp surge in the recent months

Exhibit 26: Palm oil monthly price chart (Rs per ton)



Source: Bloomberg, Kotak Institutional Equities estimates

Weakness in African currencies could impact GCPL, Devyani, Dabur and Marico

Exhibit 27: Movement of rupee versus relevant international currencies for KIE consumer universe

Currency	Period end			Average rate			Companies impacted
	May-25	Feb-24	qoq (%)	1QFY26 Avg	1QFY25 Avg	yoy (%)	
Euro	97.2	90.8	7	96.3	89.8	7	Dabur, TCPL
USD	85.6	87.5	(2)	85.4	83.4	2	All Companies
GBP	115.1	110.0	5	113.2	105.3	8	GCPL, TCPL
Canada	62.3	60.5	3	61.4	61.0	1	TCPL
Australia	55.0	54.3	1	54.4	55.0	(1)	TCPL
SL	0.3	0.3	(4)	0.3	0.3	3	GCPL, Marico, Dabur, Asian Paints, Sapphire Foods
Bangladesh	0.7	0.7	(2)	0.7	0.7	(4)	GCPL, Marico, Dabur, Asian Paints, Pidilite
Nepal	0.6	0.6	0	0.6	0.6	(0)	Dabur, Asian Paints, Devyani International
Indonesia	0.5	0.5	(1)	0.5	0.5	(0)	GCPL
Malaysia	20.1	19.6	3	19.7	17.6	12	Marico (Revenue), GCPL/HUL (Palm oil imports)
Vietnam	0.3	0.3	(4)	0.3	0.3	2	Marico
South Africa	4.8	4.7	2	4.6	4.5	3	GCPL, Marico, TCPL
Nigeria	0.1	0.1	(8)	0.1	0.1	(11)	GCPL, Dabur, Devyani International
Kenya	0.7	0.7	(2)	0.7	0.6	4	GCPL, TCPL
Turkey	2.2	2.4	(9)	2.2	2.6	(14)	Dabur, Jubilant foods
Egypt	1.7	1.7	(0)	1.7	1.8	(4)	Marico, Dabur, Pidilite
Middle East (AED)	23.3	23.8	(2)	23.3	22.7	2	GCPL, Marico, Dabur, Asian Paints, Pidilite
Argentina	0.1	0.1	(13)	0.1	0.1	(20)	GCPL
Uruguay	2.1	2.1	(0)	2.0	2.2	(6)	GCPL
Chile	0.9	0.9	(0)	0.9	0.9	0	GCPL
Poland	22.9	21.6	6	22.6	20.9	8	TCPL
Czech	3.9	3.6	7	3.9	3.6	7	TCPL
Russia	1.1	1.0	13	1.0	0.9	13	TCPL

Source: Bloomberg, Kotak Institutional Equities estimates

Exhibit 28: Quarterly movement in inputs/commodities

No	Commodity	Unit	Current	% chg - local currency				% chg - currency Adj.				Companies impacted
				MoM	3M	6M	YoY	MoM	3M	6M	YoY	
Agri Commodities												
1	Tea - India Avg.	Rs/Kg	193	34	45	(15)	11	34	45	(15)	11	HUL
2	Tea - World Avg.	USD/MT	2,690	—	1	(15)	(11)	0	2	(14)	(10)	HUL
3	Tea - Mombassa/Kenya	USD/Kg	3	—	5	-	-	0	6	1	1	HUL
4	Coffee Arabica - Intl.	US cents/Pound	399	(3)	93	42	64	(3)	94	43	65	HUL, Nestle
5	Coffee Robusta - Intl.	US cents/Pound	267	(5)	66	11	28	(4)	67	12	29	HUL, Nestle
6	Sugar - domestic	Rs/Quintal	4,598	(1)	6	3	5	(1)	6	3	5	HUL, Nestle, ITC, Dabur, Britannia
7	Wheat	Rs/Quintal	3,875	(6)	12	1	18	(6)	12	1	18	ITC, Nestle, Britannia
8	Barley	Rs/Quintal	2,322	(0)	11	(2)	18	(0)	11	(2)	18	UBBL
9	Maize (corn)	USD/MT	192	—	(4)	—	-	0	(3)	1	1	Colgate, HUL, Dabur (Sorbitol)
10	Liquid Milk - domestic	Rs/Ltr	61	11	36	13	22	11	36	13	22	Nestle, Jubilant Foodworks, Britannia
11	Milk Powder - domestic	Rs/Kg	328	6	11	12	25	6	11	12	25	Nestle, Britannia
12	Rice	USD/MT	3,306	(2)	(19)	(2)	(9)	(2)	(19)	(2)	(9)	
Oil Commodities												
13	Crude Oil - Brent	USD/Barrel	64	(12)	(20)	(15)	(29)	(11)	(20)	(14)	(28)	HUL, GCPL, Jyothy Labs, Asian Paints, Pidilite
14	Palm oil	Rs/MT	116,862	(11)	48	(6)	27	(11)	48	(6)	27	HUL, GCPL, Jyothy Labs
15	PFAD	USD/MT	893	(16)	24	(2)	12	(16)	25	(1)	13	HUL, GCPL, Jyothy Labs
17	Copra	Rs/Quintal	18,590	14	81	42	82	14	81	42	82	Marico, Dabur
18	Coconut oil	Rs/Quintal	29,107	18	114	49	97	18	114	49	97	Marico, Dabur
19	Rice Bran oil	Rs/10Kg	1,050	(0)	40	(5)	33	(0)	40	(5)	33	Marico
21	Sunflower oil	Rs/MT	131,643	(4)	54	7	49	(4)	54	7	49	Marico
22	Groundnut oil	Rs/MT	134,976	(2)	(13)	(10)	(9)	(2)	(13)	(10)	(9)	Marico
23	Linseed oil	Rs/MT	128,667	(1)	40	3	37	(1)	40	3	37	Marico, Dabur, Bajaj Corp, Asian Paints
24	Castor oil	Rs/MT	136,048	6	12	0	13	6	12	0	13	Marico, Dabur, Bajaj Corp, Asian Paints
25	Mentha oil	Rs/Kg	1,011	(1)	(0)	1	(1)	(1)	(0)	1	(1)	Emami, Colgate, HUL, Dabur
Chemicals/Paints/Other Commodities												
26	Caustic soda	Rs/ 50Kg	2,554	1	29	15	19	1	29	15	19	HUL, GCPL, Jyothy Labs
27	Soda ash	Rs/ 50Kg	1,665	2	(10)	(3)	(3)	2	(10)	(3)	(3)	HUL, GCPL, Jyothy Labs
31	Tio2 Anatase	Rs/Kg	200	2	14	(7)	14	2	14	(7)	14	Asian Paints
32	Tio2 Rutile	Rs/Kg	288	2	5	4	6	2	5	4	6	Asian Paints
34	Turpentine oil	Rs/Ltr	131	-	14	9	13	-	14	9	13	Asian Paints
35	Formaldehyde	Rs/Kg	30	(14)	25	(6)	20	(14)	25	(6)	20	Asian Paints
36	Acrylic acid	Rs/Kg	59	(49)	(34)	(64)	(52)	(49)	(34)	(64)	(52)	Asian Paints
37	Vinyl Acetate - Domestic	Rs/Kg	143	91	68	117	48	91	68	117	48	Asian Paints
38	Vinyl Acetate - China	US\$/MT	820	(1)	5	4	(4)	(1)	6	5	(3)	Pidilite, Asian Paints
39	Styrene - domestic	Rs/Kg	76	(10)	(13)	(15)	(22)	(10)	(13)	(15)	(22)	Asian Paints
40	Gold	Rs/10gm	94,646	9	52	23	32	9	52	23	32	Titan, Jewellery companies

Inflationary = +3%
Deflationary = -3%
Notes:

(a) Average computation based on two months for commodities where data is unavailable

Source: Bloomberg, Kotak Institutional Equities

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ADD. We expect this stock to deliver 5-15% returns over the next 12 months.

REDUCE. We expect this stock to deliver -5+5% returns over the next 12 months.

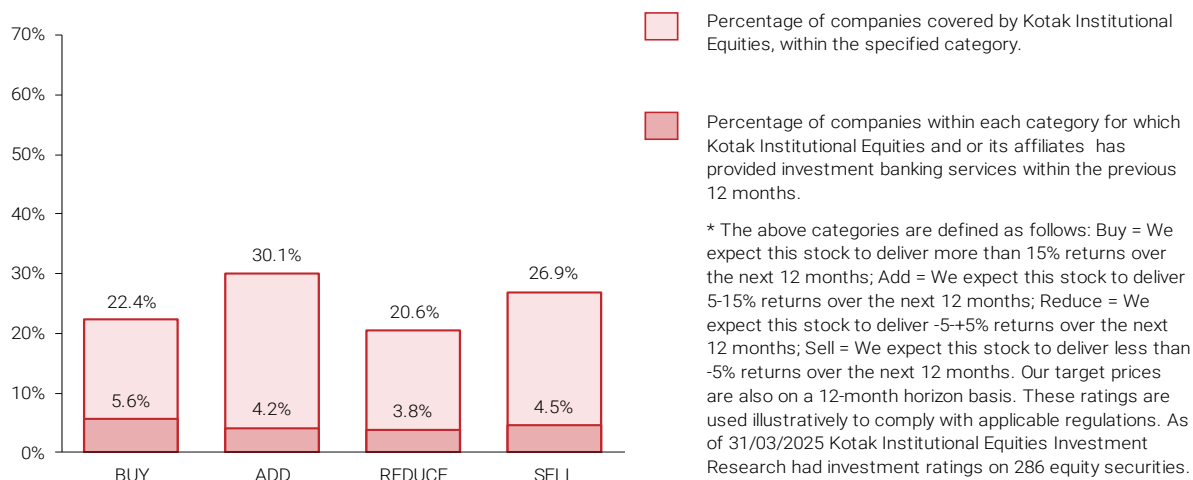
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