

# Consumer Staples

India

Sector View: **Attractive** NIFTY-50: **24,981**

August 20, 2025

## Consumer 1QFY26 review: Some green shoots in urban demand

Key highlights of 1QFY26: (1) Staples—qoq improvement in value/volume growth for select names, aided by gradual recovery in demand. HUVR/ITC called out early signs of recovery in urban demand. Elevated RM prices and adverse operating leverage impacted profitability, and (2) Discretionary—sustained weakness and weak summer-impacted paints and CSD. Mixed trends in QSR/footwear. Resilient print in jewelry, cigarettes, and alcobev.

### Staples—gradual growth recovery; elevated RM prices weigh on margins

Revenue growth (yoy) improved sequentially for most names on expected lines, led by marginal recovery in demand. Overall revenue growth at ~6.5% yoy was aided by positive pricing and slightly better volume growth trend, aided by resilient rural demand and stable-to-marginally-better urban demand. **HUVR and ITC witnessed some green shoots in urban demand.** Domestic value (organic, LFL)/volume growth: MRCO (27%/9%), TCPL (9.8%/6.8%), BRIT (8.8%/2%), GCPL (7.7%/5%), HONASA (7.4%/10.5%), NEST (5.5%/3%), HUVR (3.8%/3%), DABUR ((-)1.8%/(-)1%) and CLGT ((-)4.2%/(-)4%). Staples GM declined 295 bps yoy, owing to consumption of high-cost RM inventory (tea, palm, copra, etc.). GM decline and adverse operating leverage led to 170 bps yoy EBITDA margin decline, partly offset by cut on A&P spends (down 85 bps yoy).

### Discretionary—weak trends across the board, except for TTAN and JUBI

**Paints:** Value/volume growth (deco business) of APNT was weak but improved sequentially ((-)1.3%/+3.9%); BRGR (~2%/5.6%) was relatively better; KNPL ((-)3%/flat) and INDIGOPN (0.3%/NA) were weak. Topline growth was impacted by continued subdued demand and higher competitive intensity (Birla Opus' exit market share at HSD in 1Q), and weak mix. PIDI's 10.6%/9.9% value/volume growth (standalone) was resilient despite consumption weakness and unseasonal rains. Adverse leverage continued to weigh on EBITDA yoy growth for paint names.

**QSR and footwear:** QSR players witnessed mixed trends. (1) JUBI (Domino's) stood out with 17.7%/11.6% yoy sales/LFL growth. EBITDA/PAT growth were strong at 16.2%/~30%; (2) WESTLIFE/BK India: 6.7%/12.6% yoy revenue growth, led by 0.5%/2.6% SSSG; (3) DEVYANI/SAPPHIRE: (-)0.7%/flat SSSG for KFC (qoq improvement) and 4%/8% SSS decline for PH was weak. Subdued ADS, additional promotional spends, and adverse operating leverage weighed on margins; (4) in footwear, Metro revenue growth was steady at ~9% yoy; Campus was weak at 1.2% yoy.

**Jewelry, cigarettes, beverages:** (1) TTAN's domestic jewelry sales growth at 16.6% yoy was led by plain gold jewelry/coins; adjusted EBIT margin was flat yoy at 11.3%, despite multiple margin headwinds, driven by calibrated schemes and operational efficiencies, (2) ITC's cigarette volume growth was resilient at 6.5% yoy, but EBIT growth at 3.7% was impacted by RM inflation, (3) UNSP's P&A's volume/value growth at 9%/9% yoy was aided by AP market tailwinds; UBBL's volume/value growth at 11%/15.7% was aided by weak base and market share gains, (4) VBL's domestic performance was weak (7% volume decline), due to early onset of monsoon; international was strong (15% volume growth) aided by growth across markets, (5) Cello's revenue grew 5.7% yoy, impacted by weakness in writing instruments, and (6) IGIL revenue/PAT grew 15.7%/62.5% yoy.

### Related Research

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- Consumer Staples: 4QFY25 review:
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## Aggregate revenues/EBITDA/PAT grew ~9.5%/2.3%/2% yoy in 1QFY26 (on like-for-like basis)

### Exhibit 1: KIE consumer universe key financials trends, March fiscal year-ends (Rs mn)

	Revenues			Gross profit			EBITDA			Recurring PAT		
	1QFY26	1QFY25	yoy (%)	1QFY26	1QFY25	yoy (%)	1QFY26	1QFY25	yoy (%)	1QFY26	1QFY25	yoy (%)
<b>Staples</b>												
Britannia	46,222	42,503	8.8	18,631	18,449	1.0	7,571	7,537	0.4	5,207	5,303	(1.8)
Colgate	14,341	14,967	(4.2)	9,884	10,574	(6.5)	4,526	5,083	(11.0)	3,206	3,640	(11.9)
Dabur	34,046	33,491	1.7	16,013	16,005	0.1	6,678	6,550	2.0	5,139	5,001	2.8
Godrej Consumer Products	36,619	33,316	9.9	19,005	18,608	2.1	6,946	7,244	(4.1)	4,720	4,710	0.2
Hindustan Unilever	159,310	153,390	3.9	78,420	78,910	(0.6)	35,580	36,060	(1.3)	24,900	25,720	(3.2)
Honasa Consumer	5,953	5,541	7.4	4,238	3,970	6.7	458	461	(0.7)	413	403	2.6
Jyothy Labs	7,506	7,412	1.3	3,601	3,799	(5.2)	1,235	1,329	(7.0)	968	1,017	(4.9)
Marico	32,590	26,430	23.3	15,290	13,810	10.7	6,550	6,260	4.6	5,040	4,640	8.6
Nestle	50,962	48,140	5.9	28,107	27,751	1.3	11,003	11,023	(0.2)	6,592	7,466	(11.7)
Tata Consumer Products	47,789	43,521	9.8	19,162	19,546	(2.0)	6,069	6,674	(9.1)	3,342	3,074	8.7
<b>Staples</b>	<b>435,336</b>	<b>408,710</b>	<b>6.5</b>	<b>212,353</b>	<b>211,422</b>	<b>0.4</b>	<b>86,615</b>	<b>88,221</b>	<b>(1.8)</b>	<b>59,527</b>	<b>60,974</b>	<b>(2.4)</b>
<b>Discretionary</b>												
Asian Paints	89,386	89,697	(0.3)	38,155	38,152	0.0	16,250	16,938	(4.1)	10,998	11,700	(6.0)
Berger Paints	32,008	30,910	3.6	13,259	12,326	7.6	5,284	5,224	1.1	3,146	3,536	(11.0)
Campus Activewear	3,433	3,392	1.2	1,875	1,797	4.4	493	517	(4.8)	222	254	(12.5)
Cello World	5,290	5,007	5.7	2,856	2,694	6.0	1,091	1,293	(15.6)	730	826	(11.6)
Devyani International	13,570	12,219	11.1	9,252	8,450	9.5	1,095	1,414	(22.6)	14	300	NA
IGI Limited	3,009	2,600	15.7	3,020	2,594	16.4	1,735	1,268	36.8	1,265	778	62.6
Indigo Paints	3,089	3,110	(0.7)	1,418	1,449	(2.2)	443	474	(6.5)	261	267	(2.2)
ITC	197,499	163,764	20.6	97,506	92,510	5.4	62,613	60,848	2.9	49,124	48,208	1.9
Jubilant Foodworks	17,016	14,396	18.2	12,610	10,955	15.1	2,042	1,670	22.3	667	515	29.5
Kansai Nerolac	20,874	20,504	1.8	7,538	7,586	(0.6)	3,120	3,344	(6.7)	2,309	2,411	(4.3)
Metro Brands	6,282	5,761	9.1	3,727	3,427	8.8	1,939	1,804	7.5	979	921	6.4
Pidlite	37,531	33,954	10.5	20,314	18,268	11.2	9,410	8,127	15.8	6,724	5,669	18.6
Restaurant Brands Asia	5,523	4,905	12.6	3,739	3,318	12.7	225	175	28.6	(116)	(269)	NA
Sapphire Foods	7,768	7,183	8.1	5,235	4,927	6.3	548	707	(22.5)	(17)	82	NA
Sula Vineyards	1,096	1,209	(0.8)	811	976	(7.0)	183	340	(22.3)	19	146	(54.1)
Titan	145,640	120,530	20.8	31,090	25,250	23.1	16,320	12,110	34.8	10,300	7,700	33.8
United Breweries	28,624	24,730	15.7	12,176	10,642	14.4	3,105	2,847	9.1	1,837	1,733	6.0
United Spirits	25,490	23,520	8.4	11,610	10,460	15.4	4,550	4,580	(0.7)	3,230	2,990	8.0
Varun Beverages	70,174	71,969	(2.5)	38,263	39,363	(2.8)	19,988	19,912	(3.5)	13,267	12,624	5.1
Westlife Foodworld	6,573	6,161	6.7	4,706	4,360	7.9	499	487	2.5	12	33	(62.3)
<b>Discretionary</b>	<b>719,874</b>	<b>645,517</b>	<b>11.5</b>	<b>319,157</b>	<b>299,501</b>	<b>6.6</b>	<b>150,931</b>	<b>144,079</b>	<b>4.8</b>	<b>104,971</b>	<b>100,422</b>	<b>4.6</b>
<b>Total</b>	<b>1,155,210</b>	<b>1,054,227</b>	<b>9.6</b>	<b>531,510</b>	<b>510,923</b>	<b>4.1</b>	<b>237,546</b>	<b>232,300</b>	<b>2.3</b>	<b>164,498</b>	<b>161,395</b>	<b>2.0</b>

#### Notes:

- (1) EBITDA of QSR companies is on pre Ind AS 116 basis whereas PAT is as reported (post Ind-AS 116 basis).
- (2) Standalone financials considered for CLGT, HUVR, NEST, ITC, JUBI, KNPL, RBA, UBBL, and UNSP.

Source: Company, Kotak Institutional Equities

### Exhibit 2: KIE consumer universe volume growth trends, March fiscal year-ends (%)

Volume growth (yoy %)	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
<b>Staples</b>																		
Britannia (Domestic)	8.0	1.0	2.0	5.0	4.0	(2.0)	5.0	4.0	2.5	-	0.2	5.5	6.0	8.0	8.0	6.0	3.5	2.0
Colgate (Overall)	15.0	10.0	4.5	3.0	(3.6)	(3.0)	(2.0)	(3.0)	(1.0)	6.0	(1.0)	1.5	2.0	7.5	7.5	4.5	-	(4.0)
Dabur (Domestic)	25.4	34.4	10.0	2.0	2.5	5.0	1.0	(3.0)	-	3.0	3.0	4.0	4.2	5.2	(10.0)	1.2	(6.0)	(1.0)
Godrej Consumer Products (Domestic)	29.0	15.0	4.0	-	(3.0)	(6.0)	(5.0)	3.0	11.0	10.0	4.0	5.0	7.0	8.0	7.0	-	4.0	5.0
Hindustan Unilever (FMCG business)	15.0	9.0	4.0	2.0	-	6.0	4.0	5.0	4.0	3.0	2.0	2.0	2.0	4.0	3.0	-	2.0	3.0
Jyothy Labs	24.0	16.4	11.4	7.0	3.6	5.0	1.4	2.1	3.3	9.0	9.0	11.0	7.2	10.8	3.0	8.0	4.0	3.6
Marico (Domestic)	25.0	21.0	8.0	-	1.0	(6.0)	3.0	4.0	5.0	3.0	3.0	2.0	3.0	4.0	5.0	6.0	7.0	9.0
Marico - Parachute	29.0	12.0	7.0	1.0	(1.0)	(2.0)	(3.0)	2.0	9.0	(2.0)	1.0	3.0	2.0	2.0	4.0	3.0	(1.0)	(1.0)
Marico - Saffola	17.0	12.0	3.0	(7.0)	-	(27.0)	7.0	12.0	(6.0)	11.0	2.0	(5.0)	5.0	5.0	-	3.0	(1.0)	5.0
Nestle	NA	17.0	8.0	8.0	10.0	7.9	7.5	3.0	7.5	5.0	5.0	4.5	NA	1.0	(1.5)	2.0	2.0	3.0
Tata Consumer Products (India UVG)																	5.9	6.8
Tata Consumer Products (India tea)	23.0	3.0	2.0	5.0	2.0	1.0	(1.0)	(5.0)	3.0	3.0	3.0	2.0	-	-	(3.0)	7.0	2.0	1.0
Tata Consumer Products (Salt)	21.0	17.0	16.0	4.0	(1.0)	(3.0)	-	4.0	8.0	6.0	6.0	5.0	4.0	10.0	1.0	2.0	5.0	5.0
<b>Discretionary</b>																		
Asian Paints (Domestic paints)	48.0	106.0	34.0	18.0	8.0	37.0	10.0	-	16.0	10.0	6.0	12.0	10.0	7.0	(0.5)	1.6	1.8	3.9
Campus Activewear	64.3	313.1	121.4	18.4	19.1	143.5	17.0	5.5	(2.1)	0.3	(28.5)	(0.9)	4.0	3.3	36.3	10.4	7.9	(12.1)
Indigo Paints (Emulsions)	NA	73.1	24.2	15.9	3.5	34.4	(4.2)	(4.3)	5.2	13.1	20.0	14.3	13.7	0.4	7.2	1.7	(2.5)	(5.4)
ITC (Cigarettes)	7.0	31.0	9.5	14.0	9.0	25.0	20.5	14.5	12.0	8.0	4.5	(2.0)	2.0	3.0	3.0	6.0	5.0	6.5
Pidlite (Domestic CBP)	45.3	103.0	34.0	9.0	(4.0)	49.0	1.5	1.0	7.0	11.7	8.4	11.0	12.7	8.0	6.0	7.3	8.0	9.3
Sula (Elite and Premium)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	13.3	3.5	18.3	(7.4)	4.1	3.0	(5.0)	NA
United Breweries (Overall)	9.0	115.0	49.0	19.0	7.0	121.4	23.0	4.0	3.1	(12.0)	7.0	8.0	10.9	5.0	5.0	8.4	5.0	11.0
United Spirits (Overall)	7.7	61.2	3.2	3.9	5.2	17.4	8.3	(24.9)	(27.5)	(28.6)	(27.5)	(1.2)	3.7	3.5	(4.4)	10.5	6.9	9.4
United Spirits (P&A)	19.0	60.0	5.7	8.3	9.2	24.4	13.7	3.1	9.6	10.3	3.1	5.0	3.7	5.1	(3.7)	11.6	9.2	9.0
Varun Beverages (India business)	82.2	43.0	32.2	28.2	16.3	106.3	22.3	19.9	28.0	1.5	14.9	17.7	4.4	22.9	5.7	4.7	15.5	(7.2)
Varun Beverages (Overall business)	32.5	44.8	28.0	28.7	19.2	97.3	24.2	17.9	24.4	4.7	15.8	18.2	7.2	27.9	21.6	37.9	30.1	(3.0)

Source: Company, Kotak Institutional Equities

## Consumer universe has seen more earning cuts for FY2026-28E

### Exhibit 3: KIE consumer universe performance in 1QFY26 vs estimates

	versus KIE estimates			Earnings changes			Target prices (Rs)	
	Revenues	EBITDA	Net income	2026E	2027E	2028E	Post-4Q result	Post-1Q result
<b>Staples</b>								
Britannia	In-line	Miss	Miss	Maintain	Maintain	Maintain	5,700	5,700
Colgate	In-line	Miss	Miss	Cut	Cut	Cut	2,535	2,360
Dabur	In-line	Beat	In-line	Maintain	Maintain	Maintain	490	510
Godrej Consumer Products	Beat	Miss	In-line	Cut	Cut	Cut	1,285	1,260
Hindustan Unilever	In-line	In-line	Beat	Maintain	Maintain	Up	2,300	2,525
Honasa Consumer	In-line	Beat	Beat	Up	Maintain	Up	275	300
Jyothy Labs	Beat	Beat	Beat	Up	Maintain	Cut	350	340
Marico	In-line	In-line	Beat	Maintain	Maintain	Up	675	710
Nestle	In-line	Miss	Miss	Cut	Cut	Cut	1,125	1,112
Tata Consumer Products	In-line	Miss	Miss	Cut	Cut	Cut	1,185	1,150
<b>Discretionary</b>								
Asian Paints	In-line	Miss	Miss	Maintain	Maintain	Maintain	2,250	2,325
Berger Paints	Miss	Miss	Miss	Cut	Maintain	Maintain	505	530
Campus Activewear	Miss	Miss	Miss	Cut	Cut	Cut	315	300
Cello World	Miss	Miss	Miss	Cut	Cut	Cut	735	700
Devyani International	In-line	In-line	Beat	Cut	Cut	Cut	190	177
IGI Limited	Beat	In-line	In-line	Up	Up	Up	375	400
Indigo Paints	Miss	Miss	Miss	Maintain	Maintain	Maintain	1,000	1,050
ITC	Beat	In-line	In-line	Maintain	Maintain	Cut	480	470
Jubilant Foodworks	In-line	Miss	In-line	Up	Maintain	Maintain	720	705
Kansai Nerolac	In-line	In-line	Beat	Cut	Maintain	Cut	265	260
Metro Brands	In-line	Miss	In-line	Cut	Cut	Cut	1,100	1,050
Pidilite	In-line	Beat	Beat	Maintain	Maintain	Maintain	3,175	3,250
Restaurant Brands Asia	In-line	Miss	Beat	Cut	Cut	Cut	85	80
Sapphire Foods	In-line	Miss	Beat	Cut	Cut	Cut	365	360
Sula Vineyards	Miss	Miss	Miss	Cut	Cut	Cut	325	280
Titan	Beat	Beat	Beat	Up	Maintain	Up	3,375	3,575
United Breweries	Beat	Miss	Miss	Cut	Cut	Cut	1,925	1,650
United Spirits	In-line	Beat	Beat	Maintain	Maintain	Maintain	1,575	1,430
Varun Beverages *	In-line	Beat	Beat	Cut	Cut	Cut	570	570
Westlife Foodworld	Miss	Miss	Miss	Cut	Cut	Cut	700	700

#### Notes:

- (1) Revenue, EBITDA and net income beat/miss implies more than 2% deviation from estimates.
- (2) Earnings up/cut implies more than 2% change in earnings (pre-Ind AS 116 EBITDA in case of QSR companies excluding JUBI) estimates.
- (3) Standalone financials considered for CLGT, HUVR, NEST, ITC, JUBI, KNPL, RBA, UBBL, and UNSP
- (4) \* Calendar year-end.

Source: Company, Kotak Institutional Equities estimates

## Exhibit 4: Comments on demand environment from conference calls

Asian Paints	APNT noted that some of the uncertainty in demand conditions in the coming quarters can be attributed to the recent developments in the job market. The repainting segment, driven by maintenance or occasions, is largely need-based and tends to be deferred rather than diminished, so it is expected to be largely unaffected. The new construction and new homes may be impacted, but since many IT professionals live in rental homes, premium and luxury housing demand is expected to stay resilient. While broader trends remain to be seen, the green shoots witnessed in the current quarter are largely expected to sustain, given that industry had already bottomed out. Overall, APNT does not expect the demand conditions worsening relative to the current quarter. APNT exited June on a softer note due to the early and intense onset of monsoons. July also experienced similarly heavy rainfall, and demand trends have largely mirrored those seen in 1Q, with no material positive or negative shifts. Going ahead, 3Q may face some pressure due to fewer retail days in October, owing to a shorter and earlier festive season (compared to the base quarter 3QFY25). This is expected to shift peak retail activity to September (2Q), and APNT remains optimistic that September will drive strong momentum, provided the rains do not disrupt momentum further.
Berger Paints	Including Opus, the industry would have actually grown by 6.5% in 1Q, about 300-400 bps lower than usual growth rate due to inflation and other headwinds. BRGR has observed a gradual improvement in demand, with early momentum in urban markets. A well-progressing monsoon and easing inflation may support rural sentiment. A potential pick-up in government infrastructure spending in 2HFY26E could aid growth. Currency volatility, tariff wars and geopolitical tensions remain the key risks. Typically, when we see an early monsoon, sales do tend to return with some lag. Having said that, July 2025 also saw heavy rainfall and thus, one would have to wait for monsoon to abate. Once that happens, BRGR's volume growth could improve to 7-9% initially and improve further as the year progresses. Since texture coatings/tile adhesives are growing faster for BRGR, it expects the volume/value gap to continue for next 2-3 quarters, but the gap will reduce to 150-200 bps. If things go as per plan, value growth could improve to 9-10% in 3Q/4Q. Construction chemicals and waterproofing are expected to continue on their high growth trajectory for the next 3-4 years for BRGR.
Metro Brands	Demand during the quarter was buoyed by a higher number of marriage dates, although this was partially offset by an early Eid in March (growth would have been 2-3% higher, adjusted for timing of Eid), the premature onset of monsoon—particularly in Gujarat and Maharashtra—and ongoing geopolitical tensions. Having said that, monsoon season supports Crocs sales. Southern states such as Andhra Pradesh and Telangana, which had previously witnessed muted demand, are showing some signs of recovery. Over the long term, management remains committed to achieving a 15-18% revenue CAGR in each banner, driven by store expansion and improved ASP, while targeting mid-to-high single-digit SSSG.
Colgate	Colgate noted persistent headwinds of subdued urban demand and elevated competitive intensity (trade + consumer promotions), apart from the high base effect. Colgate CDC, Max Fresh and Active Salt (about two-thirds of the toothpaste portfolio) are witnessing acute demand weakness, whereas the premium segment (~10% of toothpaste portfolio) continues to grow well. It seems that Colgate has underperformed Dabur (Dabur Red is expected to report strong growth, with market share gains) in 1Q. Management reiterated expectations of a gradual recovery in the second half of the year.
Dabur	Dabur's domestic market performance (value/volume decline of 1.8%/1% yoy) was largely impacted by the weakness in its seasonal portfolio (beverages and glucose), which declined in double-digits due to a weak summer and unseasonal rains. Excluding the seasonal portfolio, Dabur's domestic/consolidated sales grew 4.3%/7% yoy, with volume growth of 3-3.5% yoy. While Dabur implemented 3-4% price hikes, most of the impact was negated by increased trade schemes and consumer promotions (netted off at sales level) amid higher competitive intensity, especially in the oral care and hair oil categories. Rural markets sustained growth momentum and Dabur witnessed the fifth consecutive quarter of rural outperforming the urban markets. Dabur is optimistic of witnessing sequential recovery in demand environment, led by easing food inflation, normal and adequate monsoon that bodes well for rural economy and some green shoots that are visible in urban demand.
Restaurant Brands Asia	Management noted that demand conditions continued to mirror prior-quarter trends (status quo). Management attributed a part of the current demand weakness to decline in the average transaction value of customers due to pressure on their wallets. Accordingly, BK India noticed a good growth at the value end of the portfolio, while growth at premium portfolio was relatively weak (had seen some contraction in the recent quarters). Going ahead, there was no major divergence in demand trends in July. However, BK India anticipates some shift in demand in 2Q due to the onset of Shravan, Shrad and Navratri periods, which typically drive a preference for vegetarian offerings.
Hindustan Unilever	HUVR's standalone UVG/USG stood at 3%/4% and consolidated UVG/USG stood at 4%/5% in 1QFY26. Tonnage growth was higher than UVG and the mix, while still negative, is improving sequentially. While pricing growth in the market averaged 4-5% in the past 10-20V, growth of late, has been largely led by volumes, and pricing contribution is just around 100 bps. Management highlighted the encouraging macro conditions—(1) 100 bps repo rate cut since Jan-25, (2) retail inflation down to 2.1%, the lowest since 2019, (3) income tax cuts, which are expected to positively impact disposable incomes and consumer sentiment. Forecasts of an above-average monsoon bode well for rural demand. Rural markets contribute 1/3rd to both industry and HUL's sales. Collectively, these tailwinds are helping to sustain the gradual recovery in consumption demand in India, and HUVR has seen a sequential improvement in consumption demand (even in urban) for the last three months. However, at the MAT level, the consumption environment remained stable, with rural continuing to outpace urban demand. These trends are consistent even when e-commerce data is factored in.
ITC	India's high-frequency indicators for the quarter revealed a mixed economic landscape. Positive developments included buoyancy in the agriculture and services sectors, moderating inflation and growth in rural wages. However, industrial output, automobile sales, credit expansion and consumption of electricity and fuel remained subdued. Rural demand showed continued resilience, supported by expectations of a normal monsoon and favorable kharif crop sowing trends, which bode well for the rural economy. Additionally, early signs of recovery in urban consumption were observed during the quarter. Looking ahead, factors such as lower inflation, interest rate reductions, liquidity support from the RBI, tax relief measures announced in the recent budget and the front-loading of government expenditure are expected to strengthen the growth momentum.
Marico	The sector has witnessed stable to improving demand trends across both urban and rural markets. Premium continued to outperform mass and MT/e-commerce continues to lead growth. GT also moved to growth (after consecutive quarters of decline), led by MRCO's focused initiatives and project SETU. Looking ahead, management is optimistic about a gradual and broad-based recovery in consumption sentiment, supported by easing inflation levels, a favorable monsoon season, higher government spending and MSP. MRCO's domestic volume growth stood at 9% (KIE: +9%) versus 7% in 4Q. Standalone revenues grew by 20.9% yoy to Rs22.8 bn (~0.8% miss); domestic revenues grew 27%. Offtake growth also remained strong, with ~99% of the business gaining or sustaining market share and ~80% of the business gaining or sustaining penetration, both on MAT basis. The company expects to sustain positive volume and revenue growth momentum throughout the year, while delivering resilient profit growth amid heightened input cost pressures. It anticipates that the impact of these unprecedented margin headwinds will peak in the first half of the year and gradually ease thereafter. In the base case, MRCO expects to deliver HSD volume growth (with DD volume growth in some quarters) in India and 25%+ consolidated value growth in FY2026E. Management believes that it has a fair chance to touch Rs150 bn topline over two years and thus, double topline to Rs200 bn within the next five years, led by 25%+ CAGR in foods/DTC, DD growth in VAHO, and mid-teen growth in international.
Titan	TTAN's growth performance in the past few quarters was aided by strong growth in the gold jewelry segment despite high gold prices, as it capitalized on ticket size growth (16% growth in average ticket size in 1Q) and repeat customer base. Going ahead, growth rates may appear optically softer due to base effects, as 2Q/3Q/4QFY25 had recorded ~25-26% standalone recurring jewelry sales growth. The impact may be more pronounced in 2Q, as the base significantly benefited from custom duty cut and deferred sales from 1QFY25. TTAN started the current quarter on a good note but remains watchful, given the ongoing external uncertainties and their impact on gold prices. TTAN reiterated that it will not hold back on growth to protect margins, as growth remains the top priority. Accordingly, it has been competitive on gold rates (rationalized markup), introduced products with lower making charges and simpler designs to cater to evolving consumer needs, launched gold intensive studded products, etc. TTAN remains committed to all growth initiatives, such as retail expansion plan, footprint expansion in existing stores and tactical marketing investments.
Nestle	All segments, apart from milk products/nutrition, bounced back to volume-led growth. Of the top-12 brands, 7 grew at double digits. On the inflation front, NEST expects coffee prices to settle at current lower levels (Vietnam crop appears to be normal), cocoa/edible oil prices to remain range-bound and a decline in milk prices (favorable monsoon/flush season). Other key highlights are (1) prepared dishes and cooking aids returned to volume growth, recording DD growth in Maggi Noodles; Masala-Ae-Magic grew at DD, (2) milk products/nutrition witnessed mixed trends as some segments grew while others declined, (3) the confectionery segment saw high DD growth, led by robust UVG; Kitkat (largest growth driver)/Munch/Milkybar delivered DD/DD/HDD growth, (4) powdered and liquid beverages registered strong DD growth (on a strong base) and was one of the largest growth drivers, (5) e-commerce salience in domestic sales increased to 12.5% (8.5% in FY2025), led by QC and new launches and (6) urban and rural markets grew, signaling a favorable shift in market dynamics.

Source: Company, Kotak Institutional Equities

## Exhibit 4 (contd.): Comments on demand environment from conference calls

Campus Activewear	Management highlighted a soft demand environment in 1QFY26, though signs of recovery emerged in July. The company is witnessing some tailwinds on account of BIS implementation and these are likely to benefit them going forward as well. The company anticipates DD sales growth in FY2026E, driven by strategic expansion in southern markets, increased focus on women's footwear, and rising demand for sneakers. However, management also flagged competitive pressure from unorganized players, who are aggressive at the economy end.
Britannia	BRIT noted that revenue growth in 1Q was primarily pricing-led, in response to the current inflationary cycle. While volume growth moderated sequentially to 2% yoy, it is content with 12% growth in transactions (largely driven by Rs5 and Rs10 price packs that account for 60% of total business). Going ahead, BRIT expects the value-volume gap to persist for another 2-3 quarters, with a delta of 600-800 bps. Although no specific growth targets were outlined, management remains optimistic about sustaining the current growth momentum in the upcoming quarters.
Jubilant Foodworks	On the demand front, JUBI expects a gradual improvement in consumer sentiment in the coming quarters. While no formal guidance was provided for LFL/SSSG, management emphasized that the current growth trajectory is not merely a function of a weak base, but reflects structural and sustainable momentum, led by key growth drivers such as 20-minute delivery promise, moving from four to seven regions, enhanced menu innovation backed by strong media investments, investment behind digital assets, maximizing store output (with fewer store splits; at some level it will increase) and disciplined execution. Management acknowledged that the high base may have some bearing on 2H performance.
Godrej Consumer Products	GCPL's standalone business (ex-soaps) delivered an UVG of mid-teens, led by a robust broad-based performance. While reported UVG was 5%, pack/unit growth would have been in DD, according to management. Management noted that demand sentiment in 1Q (adjusted for soaps) was a bit better than 4Q, which in turn was better than 3Q. GCPL expects the performance to improve sequentially, with 2H performance better than 1H in terms of margins. GCPL remains on track to deliver HSD UVG for standalone, HSD consolidated INR growth, and DD consolidated EBITDA growth in FY2026E. While consolidated UVG could moderate (given 8% was boosted by GAUM, which might not sustain at current levels), India UVG should improve from MSD to HSD UVG.
Kansai Nerolac	Underlying demand trends for decorative paints in July remained consistent with those in June, with no meaningful shift observed. However, KNPL expects growth trends to improve in 2Q, as the festive season arrives earlier this fiscal, likely resulting in stronger yoy growth for August and September—similar to the uplift seen in September and October last year. In the auto segment, growth is expected to be in mid-single digits, as demand for two-wheelers and passenger vehicles remains subdued, while the tractor segment is poised to benefit from a favorable monsoon and increased agricultural activity. For the non-auto segment, growth is projected to be in high-single digits or near-double digits, supported by sustained momentum in the infrastructure sector. Overall, KNPL remains cautiously optimistic on the growth outlook for 2Q, led by supportive trends in industrial coatings, complemented by festive-driven demand in the decorative category.
Westlife Foodworld	Westlife is observing positive signals in the market, with stabilizing consumption patterns. Westlife anticipates a gradual improvement in dining-out trends as inflation moderates and government stimulus measures take effect.
Sapphire Foods	The demand situation remains neutral, with no significant improvement or deterioration in the last few quarters. In such a muted demand environment, SF intends to expand its customer base and drive consumption occasions in KFC through value offerings and innovations. In addition, it built late-night delivery and are experimenting with breakfast and coffee offerings.
Pidilite	PIDI's standalone UVG stood at 9.9% yoy, led by 9.3%/12.6% yoy UVG of C&B/B2B businesses. PIDI's growth in 1Q was consistent across categories, geographies and even product groups. Key segments such as Roff, Dr Fixit, Araldite, Fevicol and construction chemicals delivered strong performance. Furthermore, the innovations (such as Fevicol Relam and Fevicol Nail Free) that were launched to improve user productivity and simplify application processes are also doing well. Going ahead, PIDI remains confident of maintaining, or even slightly improving its DD UVG trajectory for the standalone business, supported by a strengthening macro environment.
IGIL	While overall volumes remain steady across quarters, the product mix sees some seasonal variation—1Q typically sees a higher share of LGD certifications, whereas 3Q, coinciding with the Diwali festive season, experiences a stronger contribution from the jewelry categories. Management reiterated its guidance of 15-20% revenue growth for CY2025E, with jewelry expected to be the primary growth driver in the upcoming quarters. In addition, LGD prices have remained stable in the past 2-3 quarters, and management expects this trend to continue in the next 3-4 quarters.
Varun Beverages	VBL delivered a resilient quarter despite an unusually early onset of monsoon in the peak summer season of India. The commissioning of new facilities, expansion into high-potential markets and sustained investments in distribution assets (visi-coolers) position VBL well to capture demand in the coming years. While 3Q has started on a soft note (high rainfall in July 2025), management remains optimistic, considering that the base (3QCY24) was weak.
Jyothy Labs	Management highlighted that urban demand remained soft, even as rural (~40% mix for JYL) showed resilience. In 1Q, the operating environment remained mixed, marked by persistent inflation and subdued urban consumer sentiment, with many consumers continuing to downtrade or postpone non-essential purchases. However, signs of a recovery are emerging, led by the forecast of a good monsoon. Tax cuts, targeted rural welfare schemes and interest rate cuts are beginning to positively influence consumer sentiment. If these supportive factors persist, a meaningful improvement in demand is anticipated, especially from 3Q. Competition remains intense across categories, but of late, it has picked up further in dishwash. Management noted that encouraging signs of urban demand recovery (in secondaries) have started to emerge from 2H of July. Having said that, it is too short of a period to draw any conclusions. JYL expects 3Q/4Q to show meaningful improvement, led by recovery in urban discretionary spending, festive spends, increasing traction in new launches, and ongoing gains in cost efficiency and distribution expansion.
United Spirits	UB volume growth of 11% yoy (metric now transitioned to reflect hectoliter growth; equivalent to 10% volume growth in terms of cases) in 1Q was aided by a weak base (200-250 bps tailwind due to election-led disruptions and supply constraints in base quarter) and market share gains across price points. UB noted that it has gained ~300 bps+ market share at country level in the current quarter (~200 bps/~400-500 bps in mainstream/premium beer segments), led by robust volume growth in states such as AP, TG, UP and Assam. Conversely, markets such as West Bengal and Karnataka experienced double-digit volume decline, primarily due to a steep increase in excise duties.
United Spirits	Management noted that some of the recent policy changes/announcements such as (1) the UK FTA, with benefits likely to be realized from 1QFY27E, (2) the opening up of the Andhra Pradesh market, (3) progressive policies in states such as UP, MP, and Jharkhand, (4) some green shoots of recovery in urban markets, and (5) a healthy monsoon, etc., will act as growth tailwinds. Conversely, a few factors will act as near-term headwinds, such as (1) MH excise duty hike, (2) subdued and challenging demand environment, (3) state specific issues (eg. Delhi), (4) slowdown in the upper end of the portfolio (below the historical 2-3-year momentum), etc. Despite these challenges, UNSP anticipates a gradual recovery in demand sentiment, and expects that headwinds in certain states will be effectively countered by tailwinds in some other states. Accordingly, UNSP remains cautiously optimistic and has reiterated its aspiration to deliver double-digit NSV growth for the P&A portfolio in FY2026E (no change in short and medium-term goals; will be watchful on how peak season evolves).

Source: Company, Kotak Institutional Equities

## Exhibit 5: Comments on pricing and inflation from conference calls

Asian Paints	Standalone GM expanded 30 bps yoy to 43.3%, as RM deflation (~1%) and sourcing/ formulation efficiencies were largely offset by adverse mix and higher discounting/rebates (not at disproportionate levels). APNT is optimistic on the RM outlook, as some of the raw material prices (especially crude derivatives) are expected to remain soft in 2Q (akin to 1Q). However, the potential price hikes will be a function of how well the increase in TIQ2 costs will be balanced out by deflationary trend in the other raw materials. APNT's EBITDA margin (standalone) in 1Q declined 70 bps yoy to 19.3% due to adverse operating leverage and higher S&M spends. APNT expects the savings it generates through procurement efficiencies, stable GM and backward integration to fund marketing investments. APNT intends to adhere to its core strategy of driving sustainable growth and retained its EBITDA margin guidance at 18-20% for FY2026E.
Britannia	Procurement costs of key raw materials were largely stable qoq, with some even witnessing deflation. However, key commodity prices remained elevated on yoy basis – Wheat (30% of RM basket) up (-)3%/8% qoq/yoy, palm oil (30% of RM basket) up (-)3%/45% qoq/yoy, cocoa up (-)10%/35% qoq/yoy, sugar (20% of RM basket) up 5%/3% qoq/yoy, laminates up (-)1%/2% qoq/yoy, etc. On RM outlook, management stated that the inflationary cycle is now behind them, and it expects RM prices to be in stable territory in the coming quarters. BRIT's strategic price hikes in the past few quarters now fully covers the inflation impact. It does not intend to pass on any RM benefits to consumers in the near term and maintain prices at current levels. However, it will take some actions if there is need to be competitive in certain markets. Overall, BRIT noted that it intends to sustain margins while remaining competitive with regional players. The key focus going ahead is to drive consumption in core categories
Berger Paints	Standalone GM has remained stable across quarters (39-41% range) despite higher competition. The sequential moderation in GM was due to adverse mix impact (excessive rains impacted sale of exterior emulsions and luxury interior emulsions). Consolidated margin was impacted by margin pressures in Bolix (UK operations). Management reiterated their margin guidance of 15-17%.
Dabur	Dabur witnessed about 7% inflation in 1Q, but the impact was largely offset by price hikes (by 3-4% yoy at overall company level; 6% for healthcare portfolio) and cost-saving initiatives. For 2QFY26E, Dabur anticipates about 8% inflation and had already implemented additional price increases while intensifying its cost-saving measures to offset inflationary pressures and safeguard margins at least prior to netting off trade schemes.
Godrej Consumer Products	While the import duty cuts on palm oil will benefit, in the past few weeks, palm oil prices have again inched up (fell 30% from the peak and then up 10% since then). Excluding soaps too, GCPL's margin would have contracted yoy as it has taken some price corrections in HI and hair color (especially where pricing and/or margins were too high, such as FIL/CIK aerosol prices were too high as compared to ROW) and large pack in hair color (prices reduced from Rs42 to Rs37). However, GCPL is confident of recovering these through its cost initiatives (media and supply-chain measures). While palm oil prices have started moderating toward June, the benefits will be realized only in 2HFY26E (soap margins will benefit toward beginning of 3Q), assuming oil prices remain where they are, GCPL can go back to its normative margins in 2H.
Hindustan Unilever	(1) In home care, HUV reduced prices on account of both deflation and in response to competitor pricing. Pricing is very agile in laundry, as RM buying frequency is much higher in this business versus others. The cuts in liquids (where palm is a key RM) and bars were driven by competition, whereas the cuts in powders were driven by RM deflation (crude). (2) In tea, HUVR decided to price based on replacement cost, rather than its consumption cost. While tea prices have softened recently, HUVR's consumption cost remained high (a substantial portion of its tea was procured between June and September last year when RM prices were at the peak) and it decided not to pass on the full cost to consumers (who are price sensitive and going through a downgrade cycle). This helped HUV register a positive UVG with HSD USG in tea in 1Q and (3) in HFD, HUVR narrowed the price gap between sachets and large packs to accelerate the pack upgradation journey. While it is seeing early positive signs, management anticipates that it will take a few more quarters to fully assess the long-term impact of these interventions. Since HUVR had not priced its coffee products to the peak of inflation (up 70-80% over 2Y), it will let the price-versus-cost gap to narrow a bit, before reducing its prices. HUVR's GM compressed sequentially due to transitory price-versus-cost gap (deliberate choice to offer the right price-value equation for growth). RM prices continue to display divergent trends (yoy), but sequentially, HUL is beginning to observe signs of softening across key commodities, such as palm-based derivatives, crude and tea (current crop is good and prices are likely to moderate going forward). This softening influenced its pricing strategy in 1Q.
ITC	ITC witnessed 225/180/555 bps yoy compression in EBIT margins of cigarettes, FMCG and paperboards/packaging segments due to continued inflation in key inputs (leaf tobacco, edible oil, wheat, maida, cocoa, soap noodles) and higher competition due to low-priced imports in paper. ITC has witnessed a moderation in the procurement prices of leaf tobacco in the current crop cycle, which would drive cigarette margin recovery in 2HFY26E. Within FMCG, growth was driven by staples, biscuits (DD growth, in our view), dairy, premium personal wash, homecare and agarbattis, while margins were impacted by RM inflation across categories and pricing pressure in notebooks, eroding profitability. ITC's digital-first and organic portfolio, comprising Yogabar, Mother Sparsh, Prasuma and Meatigo and 24 Mantra brands, is now clocking about Rs10 bn ARR. ITC noted early signs of a recovery in urban consumption in the quarter. Paperboards remained impacted by low-priced paper imports, soft domestic demand and an unprecedented surge in wood prices; ITC (and domestic industry) expects policy makers to introduce measures to safeguard the domestic industry. We expect margin recovery in (1) FMCG starting 2Q, (2) cigarettes starting in 3Q and (3) paperboards in 2H (hope).
Jubilant Foodworks	JUBI's standalone GM declined 200/40 bps yoy/qoq to 74.1%. The decline was not attributed to broad-based food inflation, which remains contained except for some pressure in dairy. Instead, the margin contraction was driven by (1) higher investments in growth, (2) strong success of margin-dilutive launches (accounted for 75% of the GM decline yoy) such as Big Big Pizza (initially planned as a limited-time IPL promotion, but was extended for the full season) and chicken offerings, (3) higher delivery mix and (4) Rs99 lunch offering, a dine-in proposition aimed at driving lunch traffic and optimizing store utilization. These measures offset ~50 bps tailwind from supplychain efficiency related benefits (enabled by investments in back-end commissaries and technology). While these initiatives weighed on GM, they contributed to strong topline growth, which translated into operating leverage. With disciplined cost management, JUBI delivered yoy expansion in EBITDA margin.
Jyothy Labs	JYL's input costs remained inflationary, with crude derivatives (LAB, SLES, PFAD and PKFAD) staying elevated (due to lag effect and processing costs; these should also ease gradually), despite a correction in crude oil prices. Management attributed margin dilution to higher competitive intensity, higher grammage and promotions, coupled with LUP-led growth. Liquid detergent's margin was lower yoy and is expected to be down yoy in FY2026E due to higher competition. Dishwash's margin expanded qoq, despite higher competition due to manufacturing efficiencies and the shift of A&P spends between segments. The company will sustain its brand investments to drive recall, reach and long-term equity. JYL retained EBITDA margin guidance at 16-17% in FY2026E, with 2H > 1H and 8-9% A&P spends
Marico	Copra inflation is unprecedented due to demand-supply gap created by a combination of lower crop yield (down 9%) due to uneven weather patterns in 1H of 2024, speculative activities and some unseasonal rains in April/May, which further extended the cycle. This led to a sharp spike in April when normally the conversions (drying process) start, but this year due to rains, got delayed. Price moves during such period get accentuated due to inelastic demand for coconut in certain segments of the market (used for consumption or religious purposes), especially since copra cannot be imported. Management believes that the current prices are unsustainable and they should settle down given the normal monsoon forecast. In fact, prices are down 12% in the past two weeks or from peak seen in July 2025. According to MRCO management, as pricing normalizes, Parachute is expected to see a meaningful recovery in volume growth, especially since smaller players are out of the market
Pidilite	PIDI recorded ~70 bps positive pricing in the current quarter and expects this level to sustain through the full year, given the subdued RM environment and absence of near-term headwinds. Overall, the pricing will support the DD UVG outlook and result in DD topline growth in the near term. GM remained largely stable, supported by benign RM prices. The EBITDA margin expanded 115 bps yoy to 25.1%. Management noted that margins were at the higher end in 1Q, aided by seasonal strength and tactical pullback in A&P spends.
Tata Consumer	Tea prices are currently favorable (prices as per latest auction were down 13-15% yoy), and management is cautiously optimistic (expect it to trend lower as we go into the full season). May crop was 25-30% higher yoy (June last year was fairly decent but July had seen a drought). Given that IMD has forecasted a normal rainfall season, TCPL expects RM deflation to continue. Tea buying started sometime mid-June onward, but we are 30 days away from the peak. In packaged tea, while the performance was driven by bottom of the portfolio six months back, the growth is more broad-based now since prices have settled. On pricing, management said that there have been both price increases and decreases, depending on specific blends/geographies. TCPL believes that pricing is not a competitive advantage in this business, as one player would typically follow the other.
Titan	TTAN EBIT was boosted by Rs1 bn one-time gains split equally between watches and jewelry business. For the watch segment, the benefit stemmed from an inventory revaluation exercise, temporarily boosting reported margins by ~400 bps to ~22%. This uplift is expected to reverse in 2Q and 3Q as the revalued inventory is liquidated and hits COGS. In the jewelry division, the benefit was ~50 bps, driven by favorable mark-to-market (MTM) gains from outstanding hedges amid high market volatility. These gains will also reverse as forwards and futures are squared off in the coming quarters. Despite these expected reversals, TTAN is actively implementing measures to mitigate margin headwinds and remains committed to delivering EBIT margins within the 11-11.5% target band for the jewelry business.
United Spirits	UNSP's underlying GM expanded 105 bps yoy to 45.5%, aided by stable ENA prices and lower glass inflation (led by alternative sourcing and packaging solutions (PET)). UNSP expects the next inflection point for ENA prices to be around Oct-Nov 2025, as and when government announces ethanol fuel blending target (did not revise targets for the last two years). Irrespective, UNSP expects ENA prices to be structurally inflationary. Additionally, UNSP anticipates temporary supply disruptions in the glass industry due to planned maintenance shutdowns in the East and West, which could lead to increased freight costs owing to regional sourcing. UNSP sees this as more of a temporary impact
United Breweries	UB expects the RM prices to remain largely stable for the coming quarters. UB is committed to steadily expand margins and reach DD EBIT margin, implying 200-300 bps uplift from current levels, in the medium-term (no definite time-line mentioned). The margin expansion is likely aided by (1) performance optimization in high profitable markets such as MH and KA, (2) scale and network optimization, which includes the localization of manufacturing operations, (3) premiumization (more of medium-term driver), (4) potential price hikes, etc

Source: Company, Kotak Institutional Equities



**Exhibit 6: Results review for KIE's consumer universe for June 2025 quarter (Rs mn)**

Company	Jun-24	Mar-25	Jun-25	yoy (%)	qoq (%)	Comments
<b>Asian Paints</b>						
Revenues	89,697	83,589	89,386	(0.3)	6.9	Standalone revenues (domestic decorative paints) declined 1.3% yoy to Rs78.7 bn (0.7% miss). Domestic decorative paint volume grew 3.9% yoy (in line; 2-yr CAGR at ~5.5%). Revenue growth remained weak, as growth was impacted by the underlying consumption weakness, weak mix, higher rebates and early monsoons. Standalone GM expanded 30 bps yoy to 43.3% (KIE: 44.3%), as benefits of a benign RM environment were offset by increased trade spends and unfavorable mix. EBITDA declined 4.8% yoy to Rs15.2 bn (6% miss) and margin declined 70 bps yoy (up 90 bps qoq) to 19.3% (KIE: 20.4%) due to adverse operating leverage. Employee costs/other expenses grew 3.9%/2.7% yoy to Rs5.55 bn/Rs13.3 bn. Consolidated revenues/EBITDA/recurring PAT declined 0.3%/4.1%/6% yoy. Consolidated GM was up 15 bps yoy 42.7% (KIE: 43.5%). EBITDA margin fell 70 bps yoy to 18.2% (KIE: 19%). The industrial business grew 8.8%, led by auto and protective coatings segments. The international business grew revenues by 8.4% (17.5% in c/c terms).
Gross margin (%)	42.5	43.9	42.7	15 bps	-125 bps	
EBITDA	16,938	14,362	16,250	(4.1)	13.1	
EBITDA margin (%)	18.9	17.2	18.2	-71 bps	99 bps	
Net income	11,700	8,751	10,998	(6.0)	25.7	
EPS (Rs/share)	12.2	9.1	11.5	(6.0)	25.7	
<b>Devyani International</b>						
Revenues	12,219	12,126	13,570	11.1	11.9	KFC India: (1) 8 net store additions qoq, taking the total to 704, (2) revenue at Rs6.1 bn (up 10.5% yoy; in line), (3) ADS down 5.8% yoy to Rs98k, (4) SSS declined 0.7% (KIE/SF's KFC: flat yoy) and (5) brand contribution margin (CM) stood at 15.5% (KIE: 16%), down 410 bps yoy, due to adverse operating leverage, marketing investments and GM decline (down 245 bps yoy, promotions-led). Pizza Hut India: 12 net store closures qoq, taking the total to 618; (2) revenue at Rs1.87 bn (1.6% miss), up 3% yoy, (3) ADS of Rs33k was down 8.3% yoy, (4) SSS declined 4.2% (in line; SF's PH: -)8% and (5) Brand CM weak at -)1.1% (KIE: flat), down 600 bps yoy due to adverse leverage and GM decline (down 200 bps yoy). Costa + new franchises: (1) 2 net store additions qoq, taking the total to 222; (2) revenue grew 14.1% yoy to Rs519 mn and (3) brand CM stood at 12.9% Vaango + Sky Gate: (1) Sky Gate store count stood at 105, and overall count at 201, (2) revenue at Rs350 mn and (3) brand CM stood at 6.7%. International: (1) Revenue at ~Rs4.25 bn, (2) GM at 65%, (3) brand CM declined 45 bps yoy to 10.4% and (4) pre-Ind AS 116 EBITDA stood at Rs441 mn.
Gross margin (%)	69.2	68.5	68.2	-98 bps	-33 bps	
EBITDA	1,414	1,081	1,095	(22.6)	1.3	
EBITDA margin (%)	11.6	8.9	8.1	-351 bps	-85 bps	
Net income	300	(153)	14	NA	NA	
EPS (Rs/share)	0.2	(0.1)	0.0	NA	NA	
<b>Berger Paints</b>						
Revenues	30,910	27,040	32,008	3.6	18.4	BRGR's consolidated revenue grew 3.6% yoy to Rs32 bn (2.3% miss), led by 5.6%/2% volume/value growth in standalone and ~19% revenue growth in subsidiaries. Decorative paints delivered MSD volume growth and volume-value gap narrowed, led by improved mix and waning impact of price cuts. Volume growth was impacted by excessive rainfall in May/June 2025. BRGR believes that it continued to gain share (21.2% share within listed companies) in 1Q. In industrial, protective and auto (delivered stronger growth) coatings sustained positive volume momentum, while GI/powder coatings remained subdued. Consolidated GM expanded 155 bps yoy (down 130 bps qoq due to excessive rainfall-led adverse mix) to 41.4% (KIE: 41.5%). EBITDA grew 1.1% yoy to Rs5.3 bn (~8.1% miss), as margin contracted 40 bps yoy to 16.5% (KIE: 17.5%); still within management's guided 15-17% range) due to adverse operating leverage. Staff costs/other expenses were up 13%/12% yoy to Rs2.2 bn/Rs5.8 bn (~1%/1.8% ahead). Standalone/subsidiary EBITDA margins were +20/(-) 500 bps yoy at 17.4%/8.6%; stable GM, operating leverage and improved utilization at Sandila drove standalone margin resilience. PBT/APAT declined 1.7%/1.1% yoy to Rs4.5 bn/Rs3.4 bn. There was an exceptional item of Rs368 mn pertaining to the loss of inventory and certain fixed assets due to fire in a warehouse located in WB.
Gross margin (%)	39.9	42.7	41.4	154 bps	-129 bps	
EBITDA	5,224	4,278	5,284	1.1	23.5	
EBITDA margin (%)	16.9	15.8	16.5	-40 bps	68 bps	
Net income	3,536	2,621	3,146	(11.0)	20.1	
EPS (Rs/share)	3.0	2.2	3.0	(0.6)	34.1	
<b>Britannia</b>						
Revenues	42,503	44,322	46,222	8.8	4.3	Consolidated net operating revenues grew 8.8% yoy to Rs46.2 bn (in line). Net sales (ex-OOI) grew 9.8% yoy, led by about ~2% volume growth (KIE: 4%) and ~8% price/mix growth (versus ~5.5%/flat/(-)3% in 4Q/3Q/2Q). OOI declined 27.4% yoy to Rs874 mn, as the base quarter included some prior-period grants. GM contracted 310 bps yoy to 40.3% (105 bps miss), likely impacted by elevated prices of key commodities yoy. However, the 20 bps qoq improvement can be attributed to an easing of palm oil inflation and strategic pricing interventions. EBITDA was flat yoy at Rs7.6 bn (9.3% miss) and margins declined 135 bps yoy to 16.4% (KIE/Street: 18%/17.7%). The EBITDA margin miss is largely attributed to GM miss and higher-than-expected staff costs (+20% yoy). Staff costs/other expenses grew 19.8%/(-)2.8% yoy to Rs2.4 bn/Rs8.65 bn (+28%/(-)2.9% versus our estimates). Staff costs were elevated due to a revaluation of phantom stock options (SARs) at end-1QFY26 share price (Rs520 mn impact in 1Q), while other expenses declined due to a cut in A&P spends and cost-saving initiatives. PBT/recurring PAT was flat/(-)1% yoy to Rs7.05 bn/Rs5.2 bn (9.7%/10% miss).
Gross margin (%)	43.4	40.1	40.3	-310 bps	20 bps	
EBITDA	7,537	8,052	7,571	0.4	(6.0)	
EBITDA margin (%)	17.7	18.2	16.4	-136 bps	-179 bps	
Net income	5,303	5,599	5,207	(1.8)	(7.0)	
EPS (Rs/share)	22.1	23.3	21.6	(2.0)	(7.2)	
<b>Colgate (standalone)</b>						
Revenues	14,967	14,625	14,341	(4.2)	(1.9)	Colgate's revenues declined 4.2% yoy to Rs14.3 bn (0.8% miss). Volume declined ~4% yoy versus flat/+4.5%/+7.5%/+7.5% over 4Q/3Q/2Q/1QFY25.
Gross margin (%)	70.6	70.6	68.9	-173 bps	-169 bps	Toothpaste volumes declined about 5%, whereas toothbrush reported volume growth. A 3-4% price hike in 1Q was offset by higher promotions. GM declined 175/170 bps yoy/qoq to 68.9% (KIE: 70.5%), impacted by competitive intensity. We are a bit surprised by the sharp sequential GM contraction, especially considering that (1) RM prices have stayed relatively benign, (2) competitive intensity has not increased sequentially and (3) the company had reasoned that the extensive cost management was behind GM delivery in 4Q. Staff costs grew 5.2% yoy, whereas other expenses contracted 3.5% yoy. EBITDA declined 11% yoy to Rs4.5 bn (~4.1% miss), even as A&P spends were cut 5.4% yoy to Rs1.9 bn (~13.1% of sales, KIE: 13.5%). The EBITDA margin contracted 240/250 bps yoy/qoq to 31.6% (KIE: 32.7%), below management's guided range of 32-34%. Lower other income (down 23% yoy) was offset by a decline in depreciation (down 9.6% yoy). PAT declined 11.9% yoy to Rs3.2 bn (~4.5% miss)
EBITDA	5,083	4,980	4,526	(11.0)	(9.1)	
EBITDA margin (%)	34.0	34.1	31.6	-241 bps	-250 bps	
Net income	3,640	3,550	3,206	(11.9)	(9.7)	
EPS (Rs/share)	13.4	13.1	11.8	(11.9)	(9.7)	
<b>Westlife Foodworld</b>						
Revenues	6,161	6,029	6,573	6.7	9.0	Westlife's revenue grew 6.7% yoy to ~Rs6.6 bn (~2.1% miss). The SSSG print was subdued at 0.5% (versus 4Q's 1.7%, adjusting for the leap-year impact), despite a weak base (SSS had declined by 6.7% in 1QFY25); SSS was driven by stable guest count and average check. On-premise/off-premise sales grew 8%/4% yoy. Avg. sales per comparable store (TTM) declined 3% yoy to Rs62.2 mn. GM expanded 80/160 bps yoy/qoq to 71.6% (KIE: 70.5%), driven by enhancement in supply-chain efficiencies. Restaurant operating margins (preInd AS 116) expanded by 35 bps yoy to 14.6%, but EBITDA (pre-Ind AS 116) grew 2.5% yoy to Rs499 mn (~2% miss) as margin contracted 30 bps yoy to 7.6% (in line) due to a ~21% growth in corporate overheads (stood at ~6.9% of sales). Royalty stood at 5.7% of sales (down 10 bps yoy). NNUs stood at 6 in 1Q (444 stores, 425 McCafes, 106 DTs and 385 EoTF stores). Westlife reiterated its target of 580-630 store count by CY2027E.
Gross margin (%)	70.8	70.0	71.6	82 bps	161 bps	
EBITDA	487	436	499	2.5	14.4	
EBITDA margin (%)	7.9	7.2	7.6	-32 bps	35 bps	
Net income	33	15	12	(62.3)	(19.4)	
EPS (Rs/share)	0.2	0.1	0.1	(62.3)	(19.4)	
<b>Dabur</b>						
Revenues	33,491	28,301	34,046	1.7	20.3	Dabur's 1Q performance was weak and largely in line with its quarter-end update. Consolidated revenue grew 1.7% yoy (2% c/c; 7% ex-seasonal business) to Rs34 bn. Domestic volume/value declined 1%/1.8% yoy (KIE: 4%/2% decline), as Glucose and beverages were impacted by a weak summer and unseasonal rains. Further, higher trade schemes (netted off from topline) also had an impact on overall growth. HPC witnessed 5% growth, led by Oral care (up 7.3%), skin care and home care. Consolidated gross profit was flat yoy at Rs16 bn (2.4% beat), as GM declined 75 bps yoy to 47% (KIE: 46.5%). EBITDA grew ~2% yoy to Rs6.7 bn (8.3% beat), aided by lower A&P spends (down 14.4% yoy). EBITDA margin was largely flat yoy at 19.6% (KIE: 18.3%), and the beat was led by lower A&P spends, which declined 110 bps yoy as a percentage of sales to 5.9% (ATL to BTL shift). PBT grew 3.2% yoy to Rs6.6 bn (KIE: Rs6 bn). PAT grew 2.8% yoy to Rs5.1 bn (10% beat). International grew 12.7% yoy (in INR), with the UK (41%), Turkey (36%), MENA (10%), SSA (20%) and Bangladesh (10.2%) reporting strong C/C growth.
Gross margin (%)	47.8	46.7	47.0	-76 bps	35 bps	
EBITDA	6,550	4,269	6,678	2.0	56.4	
EBITDA margin (%)	19.6	15.1	19.6	5 bps	453 bps	
Net income	5,001	3,201	5,139	2.8	60.5	
EPS (Rs/share)	2.8	1.8	2.9	2.8	60.5	
<b>Godrej Consumer Products</b>						
Revenues	33,316	35,980	36,619	9.9	1.8	Consolidated revenues grew 10% yoy (up 11% in c/c) to Rs36.6 bn (~3.2% beat), led by 8% UVG. Domestic UVG improved to 5% and reported revenues grew 7.7% yoy to Rs23.3 bn (~1.2% beat). Consolidated GM contracted 395/60 bps yoy/qoq to 51.9% (KIE: 53.1%), dragged down by India GM, which contracted 515/65 bps yoy/qoq to 51.3% (KIE: 52%) due to palm oil inflation. A&P spends declined by 5%/10.1% yoy in consolidated/India business, mitigating the impact at the EBITDA level. Consolidated/India EBITDA declined ~4.1%/6% yoy, as margin contracted 215/315 bps yoy to 19%/21.6% (KIE: 20%/21.6%). Home care grew 16% yoy, whereas personal care grew 1% yoy. Indonesia declined 4% (in c/c and INR), with flat UVG (rising competition) and its EBITDA margin was down 230 bps yoy to 21%. GAUM's sales grew 29%/30% in CC/INR (weak base) and EBITDA grew ~15% yoy, with 12.8% margin (down 160 bps yoy). LATAM sales grew 18% yoy (INR), with 8.2% EBITDA margin (up 340 bps yoy).
Gross margin (%)	55.9	52.5	51.9	-396 bps	-61 bps	
EBITDA	7,244	7,592	6,946	(4.1)	(8.5)	
EBITDA margin (%)	21.7	21.1	19.0	-278 bps	-214 bps	
Net income	4,710	4,433	4,720	0.2	6.5	
EPS (Rs/share)	4.6	4.3	4.6	0.2	6.5	
<b>Hindustan Unilever (standalone)</b>						
Revenues	153,390	152,140	159,310	3.9	4.7	HUVR's standalone revenues grew 3.8% yoy to Rs157.5 bn (in line), led by 3% UVG (KIE: +3%); consolidated UVG stood at 4% boosted by 3X growth in Oziva). GM contracted 220/125 bps yoy/qoq to 49.2% (KIE: 50.2%) due to price hikes lagging inflation (particularly in tea), select price cuts (HC and HFD) and perhaps higher trade promotions. EBITDA declined 1.3% yoy to Rs35.6 bn (in line), aided by a 5.4% yoy decline in A&P spends to Rs15.6 bn (9.8% of sales, down 95 bps yoy). Staff costs declined ~17% qoq. Recurring PAT declined 3.2% yoy to Rs24.9 bn (~1% miss). Reported PAT grew 7.6% yoy to Rs27.3 bn due to an exceptional gain of Rs2.42 bn (largely led by a re-estimation of tax provisions). Home care grew 4% yoy (LFL, ex-Pureit), with HSD UVG. B&W grew 7% (LFL, incl. Oziva but excl. Minimalist), with LSD UVG. Personal care grew 6%, with LSD UVG decline. Foods grew 5% with MSD UVG. EBIT margin expanded by 100 bps yoy in PC, whereas it contracted by 65/230/290 bps yoy in HC/B&W/Foods.
Gross margin (%)	51.4	50.5	49.2	-222 bps	-126 bps	
EBITDA	36,060	34,660	35,580	(1.3)	2.7	
EBITDA margin (%)	23.5	22.8	22.3	-118 bps	-45 bps	
Net income	25,720	24,970	24,900	(3.2)	(0.3)	
EPS (Rs/share)	10.9	10.6	10.6	(3.2)	(0.3)	
<b>ITC (standalone)</b>						
Revenues	170,001	172,482	197,499	16.2	14.5	ITC's gross revenue (ex-agri business) grew 6.9% yoy. EBITDA grew 2.9% yoy (up 5% ex-paper) to Rs62.6 bn (about 0.6% beat). Cigarette net revenues/EBIT growth was 7.7%/3.7% yoy (about 1.5%/0.5% ahead), as volume growth improved to about 6.5% (KIE: 4.5%). FMCG revenue grew 5.2% yoy (in line; up 8.6% ex-notebooks) and EBIT margin of 6.9% (in line; 7.9% ex-notebooks) was down 180 bps yoy. Paperboards revenues grew 7% yoy (~1% beat), but its EBIT margin weakened further (down 555/155 bps yoy/qoq) to an all-time low of 7.7% (KIE: 10%). We note that paperboards revenues/EBIT are down 7%/74% from the 1QFY23 peak. Agri revenues/EBIT grew 39%/22% yoy. Recurring PAT of Rs49.1 bn was up 1.9% yoy and largely in line with estimate.
Gross margin (%)	58.2	55.4	49.4	-884 bps	-608 bps	
EBITDA	62,955	59,864	62,613	(0.5)	4.6	
EBITDA margin (%)	37.0	34.7	31.7	-533 bps	-301 bps	
Net income	49,205	48,747	49,124	(0.2)	0.8	
EPS (Rs/share)	3.9	3.9	3.9	(0.4)	0.7	

Source: Company, Kotak Institutional Equities

**Exhibit 6 (contd.): Results review for KIE's consumer universe for June 2025 quarter (Rs mn)**

Company	Jun-24	Mar-25	Jun-25	yoy (%)	qoq (%)	
<b>Jubilant Foodworks</b>						
Revenues	14,396	15,872	17,016	18.2	7.2	Standalone revenues grew 18.2% yoy to Rs17 bn (in line), driven by 17.7%/17.3% revenue/order growth in Domino's India. The dine-in channel, incl/excl. takeaway, grew 2.5%/~20% (led by lunch hour meals) and the delivery channel grew 25%, led by 26% order growth. LFL growth stood at 11.6%, 3rd consecutive quarter of low-DD LFL growth. Delivery LFL growth was 20% yoy. GM declined 200 bps yoy to 74.1% (KIE: 74.7%), impacted by higher investments in growth and margin-dilutive launches (Big Big Pizza and chicken). Pre-Ind AS EBITDA grew 22% yoy to Rs2 bn (in line), and margin expanded 40 bps yoy (flat yoy, excluding political contribution in the base quarter) to 12% (KIE: 12.1%). Consolidated revenues grew 17% yoy to Rs22.6 bn, pre-Ind AS EBITDA grew 18% yoy to Rs2.9 bn, and margin expanded 14 bps yoy to 12.9%. Subsidiaries (primarily DPEU) contributed Rs5.6 bn (or 24.7%) to consolidated revenues and recurring PAT stood at Rs251 mn. DPEU revenues/PAT grew 12%/15% yoy to Rs5.2 bn/Rs490 mn (PAT margin at 9.4%, up 21 bps yoy). Domino's India opened 61 net new stores, taking the total to 2,240. Own app MAUs stood at 14.7 mn (up 22% yoy), app installations at 12.3 mn (up 19% yoy) and the loyalty base at 37 mn (~50% yoy).
Gross margin (%)	76.1	74.5	74.1	-200 bps	-42 bps	
EBITDA	1,670	1,871	2,042	22.3	9.1	
EBITDA margin (%)	11.6	11.8	12.0	40 bps	21 bps	
Net income	515	495	667	29.5	34.9	
EPS (Rs/share)	0.8	0.7	1.0	29.5	34.9	
<b>Jyothy Labs</b>						
Revenues	7,412	6,664	7,506	1.3	12.6	Revenues grew 1.4% yoy to Rs7.5 bn (in-line) due to +3.1%/flat yoy growth in fabric care/dishwash (in-line/~4% miss). Personal care grew 0.7% yoy to Rs0.9 bn (~6% beat). Volume growth stood at 3.6% (KIE: +4%) versus +4% in 4Q. The value-volume gap was due to higher grammage/promotions in select categories. GM contracted 330/120 bps yoy/qoq to 48% (KIE: 50%) due to RM inflation and higher competitive intensity in dishwash. JYL undertook calibrated price increases in some product categories to partially offset these pressures. GP declined 5.1% yoy to Rs3.6 bn (~4.5% miss). A&P spends declined 4.4% yoy to Rs0.6 bn (down 50 bps yoy to ~7.8% of sales versus KIE's 9.1%). EBITDA margin contracted 150/30 bps yoy/qoq (from a high base) to 16.5% (KIE: 15.6%). Segment margins—(1) fabric care's EBIT margin was down 455 bps yoy to 20.3%, (2) dishwash was up 25 bps yoy to 20.2%, (3) personal care expanded 80 bps yoy to 11.8% and (4) HI's EBIT loss was stable qoq at Rs48 mn.
Gross margin (%)	51.2	49.1	48.0	-327 bps	-117 bps	
EBITDA	1,329	1,113	1,235	(7.0)	10.9	
EBITDA margin (%)	17.9	16.7	16.5	-147 bps	-26 bps	
Net income	1,017	806	968	(4.9)	20.1	
EPS (Rs/share)	2.8	2.2	2.6	(4.9)	20.1	
<b>Kansai Nerolac (standalone)</b>						
Revenues	20,504	17,404	20,874	1.8	19.9	KNPL's revenue grew 1.8% yoy to Rs20.9 bn (1.2% miss). We estimate flat volumes and a 3% value decline in decorative paints, largely impacted by a subdued demand environment, elevated competitive intensity, and geopolitical disruptions in the North (Operation Sindoor in April). Price/mix of about (-)3% was sequentially stable. We estimate ~8% yoy growth in industrial coatings, aided by good growth in automotive coatings (ahead of industry growth) and strong growth in protective coatings (the base was weak due to election impact). GM declined 90 bps yoy to 36.1% (10 bps beat) due to weak mix, while key RM prices remained benign. EBITDA declined 6.7% yoy to Rs3.1 bn (1.3% beat). EBITDA margin declined 135 bps yoy to 14.9% (KIE: 14.6%) due to GM decline and weak operating leverage. Employee costs/other expenses were up 7%/3% yoy to Rs1.2 bn/Rs3.2 bn (1%/-)3.6% versus our estimate). PBT/recurring PAT declined 4.1%/4.3% yoy to Rs3.1 bn/Rs2.3 bn (5.3% beat for both).
Gross margin (%)	37.0	34.6	36.1	-89 bps	149 bps	
EBITDA	3,344	1,778	3,120	(6.7)	75.4	
EBITDA margin (%)	16.3	10.2	14.9	-137 bps	472 bps	
Net income	2,411	1,235	2,309	(4.3)	86.9	
EPS (Rs/share)	3.0	1.5	2.9	(4.3)	86.9	
<b>Mario</b>						
Revenues	26,430	27,300	32,590	23.3	19.4	MRCO's consolidated revenue growth at 23.3% (~0.4% beat) and EBITDA growth of 4.6% (~0.8% beat) were broadly in line with its quarter-end update. Domestic volume growth stood at 9% (KIE: +9%) versus 7% in 4Q. Standalone revenues grew 20.9% yoy to Rs22.8 bn (~0.8% miss), domestic revenues grew 27%. The international business reported 19% c/c growth (12.2% in INR), led by 42%/17% c/c growth in MENA/Bangladesh. Standalone/consolidated GM contracted 730/535 bps yoy to 39.1%/46.9% (KIE: 40.7%/47.6%) due to sharp inflation in key commodities. Standalone EBITDA grew 4.9% yoy and margins contracted 300 bps yoy to 19.7% (KIE: 19.5%), as the GM contraction was offset by ~21% cut in A&P spends. Consolidated EBITDA grew 4.6% yoy and margin contracted by 360 bps yoy to 20.1% (KIE: 20%) due to GM contraction and ~25% yoy growth in A&P spends. Consolidated PAT grew 8.6% yoy to Rs5 bn.
Gross margin (%)	52.3	48.6	46.9	-534 bps	-166 bps	
EBITDA	6,260	4,580	6,550	4.6	43.0	
EBITDA margin (%)	23.7	16.8	20.1	-359 bps	332 bps	
Net income	4,640	3,430	5,040	8.6	46.9	
EPS (Rs/share)	3.6	2.7	3.9	8.6	46.9	
<b>Nestle (standalone)</b>						
Revenues	48,140	55,039	50,962	5.9	(7.4)	NEST's net sales grew 5.9% yoy to ~Rs51 bn (~0.7% miss), led by 3% yoy volume (tonnage) growth (in line). Domestic revenues grew 5.5% yoy to Rs48.6 bn (~1% miss), while exports grew 16% yoy to Rs2.1 bn (~8% beat). OOI was up 5.8% yoy to ~Rs0.2 bn. GM declined 250/100 bps yoy/qoq to 55.2% (KIE: 57%), impacted by elevated commodity prices. EBITDA dipped by 0.2% yoy to Rs11 bn (~7.6% miss). EBITDA margin declined ~130 bps yoy to 21.6% (165 bps miss). The miss on the EBITDA margin was entirely driven by the GM miss. Management has noted higher operations costs due to significant expansion in its manufacturing footprint; this implies that A&P spends could have been cut as other expenses grew just 2.3% yoy in 1Q. Finance costs were up 48% yoy due to short-term borrowings. Other income was sharply down by 90% yoy, following a reduction in cash balance. PBT/recurring PAT declined 9.7%/10.3% yoy (10-11% miss).
Gross margin (%)	57.6	56.2	55.2	-250 bps	-102 bps	
EBITDA	11,023	13,890	11,003	(0.2)	(20.8)	
EBITDA margin (%)	22.9	25.2	21.6	-131 bps	-365 bps	
Net income	7,466	8,854	6,592	(11.7)	(25.5)	
EPS (Rs/share)	3.8	4.6	3.4	(10.3)	(25.5)	
<b>Pidlite</b>						
Revenues	33,954	31,411	37,531	10.5	19.5	Standalone revenues grew 10.6% yoy to Rs34.8 bn (1.2% beat). Standalone UVG continued to be resilient at 9.9% yoy (KIE: ~9%). Standalone C&B UVG/value growth stood at 9.3%/10.2% yoy (KIE: 7% /8.3%); pricing growth was 1% yoy as price cuts anniversary in 4Q. Standalone B2B UVG stood at 12.6% yoy and value growth stood at 11.6% yoy (KIE: 13% yoy). Consolidated revenues grew 10.5% yoy to Rs37.5 bn (1.4% beat), led by 9.7%/11.2% yoy growth in C&B/B2B. PIDL's international subsidiaries' sales grew 6.4% yoy and EBITDA margin was up 30 bps yoy to 14.2%. Domestic subsidiaries grew 11.5% yoy, with 15.5%/6% growth in C&B/B2B and EBITDA margin was up 185 bps yoy to 11.9%. The EBIT margin of standalone C&B/B2B businesses was up 160/175 bps yoy to 32/18.5%. Consolidated GM expanded 30 bps yoy to 54.1% (KIE: 54.3%) due to benign RM input prices. EBITDA grew 15.8% yoy to Rs9.4 bn (4.8% beat) and EBITDA margin was up 115 bps yoy to 25.1% (80 bps beat), as GM expansion was aided by lower A&P spends. Employee/other expenses grew 11.3/4.9% yoy. The recurring PAT grew 18.6% yoy to Rs6.7 bn (8.3% beat).
Gross margin (%)	53.8	55.0	54.1	32 bps	-92 bps	
EBITDA	8,127	6,326	9,410	15.8	48.8	
EBITDA margin (%)	23.9	20.1	25.1	113 bps	493 bps	
Net income	5,669	4,473	6,724	18.6	50.3	
EPS (Rs/share)	11.2	8.8	13.2	18.6	50.3	
<b>Restaurant Brands Asia (standalone)</b>						
Revenues	4,905	4,898	5,523	12.6	12.8	India. Revenue grew 12.6% yoy to Rs5.5 bn (0.5% beat). ADS grew 0.8% yoy to Rs120k and SSSG stood at 2.6% (KIE: 3%, versus Westlife's 0.5% SSSG). GM was +5/(-)15 bps yoy/qoq at 67.7% (KIE: 67.8%). Company EBITDA margin (preInd AS) expanded 50 bps yoy to 4.1% (KIE: 4.5%), led by an improvement in delivery channel margins (100 bps yoy) and operational efficiencies. Restaurant EBITDA (pre-Ind AS) grew 23.2% yoy to Rs536 mn, and margins expanded by 80 bps yoy to 9.7%. Staff costs were up 15.2% yoy at Rs850 mn. Corporate overheads stood at Rs330 mn, at 5.6% of sales (up 30 bps yoy). Other expenses and corporate overheads were slightly elevated on account of some one-offs. Other income jumped 4.8% yoy to Rs276 mn due to QIP proceeds. PBT/PAT loss stood at Rs116 mn. BK India opened six net stores qoq, taking the total to 519. Indonesia. Revenue declined 6.9% yoy to Rs1.5 bn due to store rationalization (closed 4 BK stores qoq). BK ADS grew 1.5% yoy to IDR19.7 mn, while Popeyes ADS dropped ~26% yoy to IDR13.2 mn. GM stood at 56.7%, up 210 bps yoy. Company/restaurant EBITDA margin (pre-Ind AS 116) stood at (-)7.3%/0.1%. BK/Popeyes store count stood at 139 (down 4 qoq)/25 (unchanged).
Gross margin (%)	67.6	67.8	67.7	5 bps	-13 bps	
EBITDA	175	266	225	28.6	(15.4)	
EBITDA margin (%)	3.6	5.4	4.1	50 bps	-136 bps	
Net income	(269)	(254)	(116)	NA	NA	
EPS (Rs/share)	(0.5)	(0.5)	(0.2)	NA	NA	
<b>Sapphire Foods</b>						
Revenues	7,183	7,113	7,768	8.1	9.2	KFC India: (1) SF added 8 net new stores, taking the total count to 510, (2) revenues grew ~10.5% yoy to Rs5.3 bn (2% miss), (3) ADS stood at Rs116k (KIE: Rs117k), down ~5% yoy, (4) SSSG was flat yoy (in line), after six quarters of decline, (5) brand contribution margin (Pre-Ind AS 116) was weak at 15.7% (down 310 bps yoy; KIE: 16.3%) due to a 110 bps decline in GM (investment in value offerings), higher delivery mix and weak operating leverage. Pizza Hut India: (1) SF added 2 net new stores, taking the total count to 336, (2) revenues of Rs1.3 bn (1.7% miss) declined 5.5% yoy, (3) ADS of Rs44k (in line) declined 8.3% yoy, (4) SSS declined 8% yoy (KIE: 7% decline) despite a weak base. (5) brand contribution margin was weak at (-)2.5% (KIE: (-)1%; breakeven adjusted to additional marketing spends), down 710 bps yoy due to a 150 bps GM decline, higher marketing investments and negative operating leverage. Sri Lanka: (1) Revenue of Rs1.16 bn (6.3% beat) grew 19% yoy and LKR revenues were up 15% yoy, (2) SF opened one net new store and the total stood at 128 (PH 118 and TB 10), (3) ADS of Rs95k grew 6.7% yoy, (3) SSSG in LKR is 12% yoy, (4) brand contribution margin stood at 12.7% (KIE: 14.5%), down 50 bps yoy due to a revision in the minimum wage that impacted employee costs.
Gross margin (%)	68.6	68.2	67.4	-121 bps	-77 bps	
EBITDA	707	508	548	(22.5)	7.9	
EBITDA margin (%)	9.8	7.1	7.1	-279 bps	-9 bps	
Net income	82	59	(17)	NA	NA	
EPS (Rs/share)	0.3	0.2	(0.1)	NA	NA	
<b>Tata Consumer Products</b>						
Revenues	43,521	46,082	47,789	9.8	3.7	Consolidated revenues grew 9.8%. India branded business UVG was 6.8%. India beverages revenues grew 8% yoy, led by India tea value/volume growth of 12%/1% yoy (KIE: 11.5%/3%) and (-)13%/+3% value/volume in NourishCo (weak summer). India foods volume/value growth was 6%/14% yoy (KIE: 18% value). Salt value/volume grew 13%/5% (in line). Sampann grew 27% yoy. CF/OI grew 1%/31% to Rs1.66 bn/Rs0.93 bn, owing to transitory issues impacting CF primary sales. Growth businesses grew 7% yoy. The international business reported 5%/9.4% yoy growth in CC/INR, led by 20% CC growth in EOC. Consolidated EBITDA declined 9% yoy due to tea commodity inflation in India and the normalization of non-branded business margins, as coffee prices moderated. The EBITDA margin decline of 80 bps qoq to 12.7% was entirely due to a fall in non-branded business margins. Recurring PAT grew 8.7% yoy to Rs3.3 bn (~2.4% miss) due to lower interest expenses (down 64% yoy).
Gross margin (%)	44.9	41.9	40.1	-482 bps	-183 bps	
EBITDA	6,674	6,210	6,069	(9.1)	(2.3)	
EBITDA margin (%)	15.3	13.5	12.7	-264 bps	-78 bps	
Net income	3,074	2,995	3,342	8.7	11.6	
EPS (Rs/share)	3.2	3.0	3.4	4.7	11.6	
<b>Titan Industries</b>						
Revenues	120,530	134,770	145,640	20.8	8.1	Domestic (Tanishq + Mia + Zoya) TMZ recurring jewelry sales (ex-bullion) grew 16.6% yoy (in line) to Rs115.2 bn. Plain gold jewelry/coins/studded jewelry grew ~15%/46%/11% yoy. The weakness in customer traffic was fully offset by 16% growth in average ticket size. Secondary sales growth stood at 17% yoy, aided by (1) higher gold prices (up ~33% yoy) and (2) 11% SSSG (Kalyan's 18%). Domestic studded share (incl./excl. Caratlane) declined by ~130/100 bps to 24.7%/29% even as buyer growth of studded was better than gold jewelry. Caratlane grew ~39% yoy, led by ~35% growth in the studded jewelry. Titan's overseas jewelry sales (primary), with 24 stores, were up 48.5% yoy to Rs5.5 bn Domestic (TMZ) jewelry EBIT margin (adjusted for 50 bps hedging gain that would reverse in the coming quarters) was flat yoy at 11.3% (KIE: 10.8%). Caratlane's EBIT margin stood at 6.6% (up 95 bps yoy). The international jewelry business turned EBIT positive, with a 3.4% margin versus (-)2.8% in 1QFY25. The watch segment grew about 24% yoy to Rs12.6 bn and EBIT margin stood at 22.6% (~400 bps benefit from inventory revaluation). Management called out a moderation in smart watch growth (a comeback of analog watches in our view). PAT grew 33% yoy (24% yoy excluding one-time gains).
Gross margin (%)	20.9	21.7	21.3	39 bps	-34 bps	
EBITDA	12,110	14,380	16,320	34.8	13.5	
EBITDA margin (%)	10.0	10.7	11.2	115 bps	53 bps	
Net income	7,700	8,700	10,300	33.8	18.4	
EPS (Rs/share)	8.7	9.8	11.6	33.8	18.4	

Source: Company, Kotak Institutional Equities



**Exhibit 6 (contd.): Results review for KIE's consumer universe for June 2025 quarter (Rs mn)**

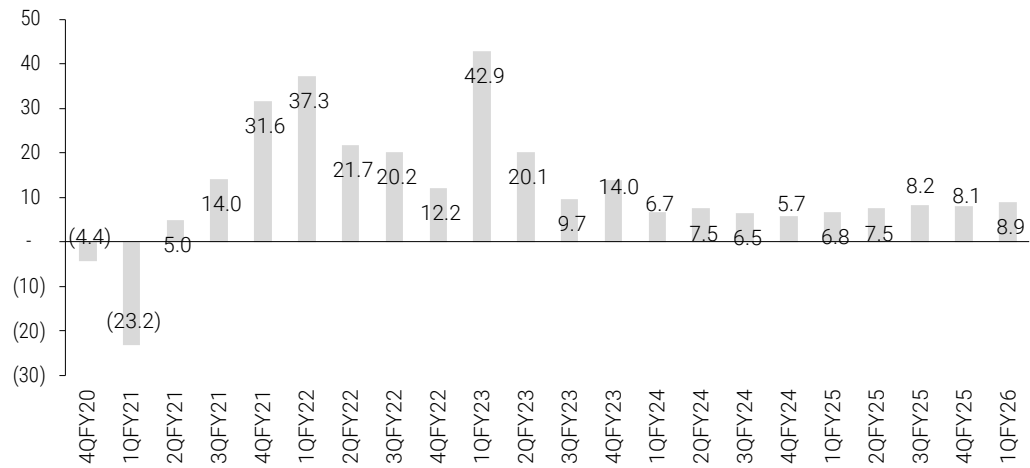
Company	Jun-24	Mar-25	Jun-25	yoy (%)	qoq (%)	
<b>Campus Activewear</b>						
Revenues	3,392	4,057	3,433	1.2	(15.4)	Revenues grew by 1.2% yoy to Rs3.4 bn (~4.4% miss), driven by ~8% growth in the MBO channel, offset by ~8% decline in the online channel. Volume declined by 12.1% yoy to 5.1 mn pairs (online volumes declined to 1.3 mn+ pairs in 1QFY26 from 1.6 mn+ pairs in 1QFY25). ASP grew 14.7% yoy to Rs671 in 1Q, led by (1) 150% yoy volume growth in sneakers category and (2) lower sales of entry-level products (DIP school shoes/open footwear). Consequently, GM expanded by 165/290 bps yoy/qoq to 54.6% (KIE: 53.5%). Employee cost was up 12.1%/5.5% yoy/qoq to Rs322 mn, and other expenses grew by 6.9% yoy to Rs1.06 bn (A&P spends were up 9.4% yoy to Rs2.8 bn). EBITDA declined by 4.8% yoy to Rs493 mn (~12.8% miss) and EBITDA margin contracted by 90/325 bps yoy/qoq to 14.4% (KIE: 15.7%). Depreciation increased by 24% yoy to the commissioning of capacity in Haridwar and Ganaur during 2HFY25. PBT/PAT declined by 10.9%/12.5% yoy to Rs304 mn/Rs222 mn (~15.7%/17.6% miss).
Gross margin (%)	53.0	51.7	54.6	164 bps	289 bps	
EBITDA	517	715	493	(4.8)	(31.0)	
EBITDA margin (%)	15.3	17.6	14.4	-91 bps	-326 bps	
Net income	254	350	222	(12.5)	(36.6)	
EPS (Rs/share)	0.8	1.2	0.7	(12.5)	(36.6)	
<b>Metro Brands</b>						
Revenues	5,761	6,428	6,282	9.1	(2.3)	Revenues grew by 9.1% yoy to Rs6.3 bn (versus +10.3% in 4Q, ~1.1% miss), led by a higher number of marriage dates, partially offset by an early Eid (March), an early onset of monsoon and geopolitical tensions. Sales per square foot declined by 3.3% yoy to Rs4,350. Average realization grew by 5% to Rs1,575. GM contracted by 15 bps yoy to 59.3% (KIE: 60.2%). EBITDA grew by 7.5% yoy to Rs1.9 bn (~6% miss). EBITDA margin contracted by 45 bps yoy to 30.9% (KIE: 32.5%) due to higher marketing spends on brand building/positioning. PBT/PAT grew by 5.7%/7.1% yoy to Rs1.3 bn/Rs1 bn (~3.3%/1% miss). Metro added 23/20 gross/net stores during the quarter—5 in Metro, 9 in Mochi, 2 in Crocs and 4 in Walkway. It entered one new city, taking its total coverage to 206 cities. Online revenues (including omni channel) grew by 45% yoy to Rs843 mn (13.7% of sales, versus 10.4% of sales in 1QFY25). Metro Brands has entered into a long-term exclusive agreement (across all trade channels) with Clarks for India, Bangladesh, Nepal, Bhutan, Maldives and Sri Lanka in June 2025.
Gross margin (%)	59.5	57.5	59.3	-16 bps	186 bps	
EBITDA	1,804	1,972	1,939	7.5	(1.7)	
EBITDA margin (%)	31.3	30.7	30.9	-45 bps	18 bps	
Net income	921	949	979	6.4	3.2	
EPS (Rs/share)	3.4	3.5	3.6	6.9	3.6	
<b>United Breweries (standalone)</b>						
Revenues	24,730	23,214	28,624	15.7	23.3	Revenues grew 15.7% yoy to Rs28.6 bn (4% beat). Despite a weak summer and mid-teen volume decline in the KA market, volume growth was robust at 11% yoy (KIE: 6.5% yoy), aided by a weak base (200-250 bps tailwind) and market share gains (up 300 bps qoq). Premium segment volume growth was robust at 46% yoy. Net realization grew 4.3% yoy (KIE: 4.5% yoy), led by price increases in Telangana and premiumization. GM declined 50 bps yoy to 42.5% (KIE: 44.1%), due to a weak state mix, higher infusion of new glass bottles and interstate taxes (AP market partially supplied by TN/MH post reopening). EBITDA grew 9.1% yoy to Rs3.1 bn (14.8% miss) and margin declined 65 bps yoy to 10.8% (KIE: 13.2%). The miss was due to weak GM. Higher other expenses (marketing/IPL spends) and supply chain investments. Employee cost/other expenses grew 8.5%/18.8% yoy to Rs2 bn/Rs7.1 bn (1%/8.6% beat). PAT grew 6% yoy to Rs1.84 bn (KIE: Rs2.3 bn). Capex in 1Q was Rs1.4 bn (up ~2.9X yoy).
Gross margin (%)	43.0	42.1	42.5	-50 bps	43 bps	
EBITDA	2,847	1,862	3,105	9.1	66.7	
EBITDA margin (%)	11.5	8.0	10.8	-67 bps	282 bps	
Net income	1,733	974	1,837	6.0	88.6	
EPS (Rs/share)	6.6	3.7	6.9	6.0	88.6	
<b>United Spirits (standalone)</b>						
Revenues	23,520	29,460	25,490	8.4	(13.5)	UNSP's net revenue (reported) grew ~8.4% yoy to ~Rs25.5 bn (~1.6% beat). Volumes grew ~9.4% yoy to 15 mn cases (KIE: 14.5 mn cases). Growth (on a high base) was led by scale up of AP market (~500 bps NSV growth tailwind due to reopening of the market) and the back of RGM initiatives. P&A net revenues grew ~9% yoy to Rs22.5 bn (~2% beat) as volumes/net realization grew 9%/flat yoy (KIE: 6.5%/0.75% yoy). Popular volumes grew 11.6% yoy to 2.4 mn cases (~6.3% beat) and revenue grew 13.6% yoy (~6.9% beat). GM stood at 44% (KIE: 44.6%; down 50 bps yoy). Excluding the one-off indirect tax impact of Rs400 mn, underlying GM expanded by 105 bps yoy to 45.5% (KIE: 44.6%), led by sustained RGM initiatives, productivity flow-through and stable RM inflation. EBITDA declined 9.4% yoy to Rs4.2 bn (~5.8% miss). The miss was on account of 36% yoy growth in A&P spends to Rs2.4 bn (~18% ahead of estimates; +190 bps yoy to 9.3% of sales), which was partially mitigated through lower-than-expected staff costs (+2.3% yoy). Underlying EBITDA was almost flat yoy (~3% beat) and margin was down 160 bps yoy at 17.9% (KIE: 17.6%). Interest cost stood at Rs490 mn, driven by one-off impact of interest on the indirect tax item. Other income stood at Rs610 mn (KIE: Rs362 mn). Recurring PAT declined 10% yoy to Rs2.7 bn (~6.6% miss).
Gross margin (%)	44.5	44.5	45.5	107 bps	108 bps	
EBITDA	4,580	5,050	4,550	(0.7)	(9.9)	
EBITDA margin (%)	19.5	17.1	17.9	-163 bps	70 bps	
Net income	2,990	4,510	3,230	8.0	(28.4)	
EPS (Rs/share)	4.1	6.2	4.4	8.0	(28.4)	
<b>Varun Beverages</b>						
Revenues	71,969	55,669	70,174	(2.5)	26.1	VBL reported a 2.5% yoy decline in revenues to Rs70.2 bn (1.5% beat) due to a 3% volume decline to 390 mn cases (KIE: 389 mn cases). India volumes declined 7% (KIE: 5% decline), while international volumes grew 15% (KIE: 5% growth). SA volumes were up 16.1% yoy. Realization was up 0.5% yoy to Rs180/case, driven by a 6.6% yoy improvement in the international business (currency tailwinds) and a 1.7% decline in India (200 bps yoy increase in packaged water salience). GM at 54.5% (down 15/5 bps yoy/qoq) was in line. EBITDA of Rs20 bn (15% beat) was flat yoy. EBITDA margin expanded 80 bps yoy to 28.5% (KIE: 25.2%) as other expenses declined 12% yoy (India: operational efficiencies + base quarter had one-off charge of Rs729 mn   International: strong currency + backward integration). Interest expense was down 72% yoy to Rs0.4 bn, primarily due to debt repayment from QIP proceeds. Depreciation was up 26% yoy to Rs3.1 bn (KIE: Rs3.1 bn) due to new production facilities. Recurring PAT stood at Rs13.2 bn (~20% beat), up 5.1% yoy.
Gross margin (%)	54.7	54.6	54.5	-17 bps	-5 bps	
EBITDA	19,912	12,640	19,988	0.4	58.1	
EBITDA margin (%)	27.7	22.7	28.5	81 bps	577 bps	
Net income	12,624	7,319	13,267	5.1	81.3	
EPS (Rs/share)	3.9	2.1	3.9	1.0	81.3	
<b>Indigo Paints</b>						
Revenues	3,110	3,876	3,089	(0.7)	(20.3)	Indigo Paints' consolidated revenue declined 0.7% yoy to Rs3.9 bn (2.1% miss), as growth was impacted by a weak demand, early monsoons and a sharp decline in Apple Chemie sales (down 17.6% yoy). Growth remained subdued, largely mirroring the industry growth trends. Value/volume growth of Cement paints + Putty—declined 1.5%/4%, Emulsions—declined 0.9%/5.4%, Enamels + wood coatings—grew 11.5%/6.8%, primers + distempers + others—grew 6.3%/1.8% yoy. GM declined 70 bps yoy to 45.9% (KIE: 46.5%), led by low realization (higher rebates and trade discounts) and a weak mix. EBITDA declined 6.5% yoy to Rs443 mn (13.4% beat) and EBITDA margins declined 90 bps yoy to 14.3% (KIE: 15.2%), largely driven by GM decline. Staff costs increased 2.7% yoy to Rs310 mn (largely in line). Other expenses declined 1.4% yoy to Rs664 mn (~2% below our estimate), largely due to a cut in A&P spends (down 30 bps yoy as a percentage of sales). PBT declined 2.6% yoy to Rs348 mn (KIE: Rs391 mn), aided by lower depreciation charges and higher other income. Recurring PAT declined 2.2% yoy to Rs261 mn (11.2% miss).
Gross margin (%)	46.6	46.8	45.9	-71 bps	-93 bps	
EBITDA	474	874	443	(6.5)	(49.3)	
EBITDA margin (%)	15.2	22.6	14.3	-89 bps	-822 bps	
Net income	267	574	261	(2.2)	(54.6)	
EPS (Rs/share)	5.6	12.1	5.5	(2.2)	(54.6)	
<b>Cello World</b>						
Revenues	5,007	5,888	5,290	5.7	(10.2)	Consolidated sales grew 5.7% yoy to Rs5.3 bn (~5.6% miss), with +11.7%, (-)11.5% and (-)0.5% yoy growth in consumerware (CW), writing instruments (WI) and molded furniture (MF). Gross profit grew by 6% yoy to Rs2.9 bn (~3.5% miss) as gross margin expanded by 15/210 bps yoy/qoq to 54% (KIE: 52.8%); GM in CW/WI/MF were +150/(-)/45/(-)/470 bps yoy. Staff costs grew 15.7%/9.5% yoy/qoq to Rs604 mn (~6.4% ahead). Other expenses were up 32%/0.8% yoy/qoq to Rs1.1 bn (~1.4% ahead), due to additional costs pertaining to the new glassware facility. EBITDA margin contracted 520/235 bps yoy/qoq to 20.6% (KIE: 22.2%) due to adverse operating leverage (additional operating costs pertaining to the new GW plant). Depreciation was down 11.6% yoy to Rs1730 mn (~7.8% miss), but EPS declined 15% yoy to Rs3.3/share.
Gross margin (%)	53.8	51.9	54.0	16 bps	208 bps	
EBITDA	1,293	1,352	1,091	(15.6)	(19.4)	
EBITDA margin (%)	25.8	23.0	20.6	-521 bps	-235 bps	
Net income	826	882	730	(11.6)	(17.2)	
EPS (Rs/share)	3.9	4.0	3.3	(15.0)	(17.2)	
<b>Honasa Consumer</b>						
Revenues	5,541	5,336	5,953	7.4	11.6	Honasa's revenue grew 7.4% yoy to Rs5.95 bn (1.4% beat) on a high base (19.3% yoy growth in 1QFY25), driven by sustained growth momentum in young brands (~20% yoy growth). The early onset of monsoons impacted growth by ~200 bps due to subdued growth of the sunscreen category. ME likely declined in midsingle digits yoy. That said, it witnessed some green shoots, as focus categories (~70% of ME salience) delivered DD growth in Ecom and MT channels (positive growth all channels combined). GM declined 45 bps yoy to 71.2% (KIE: 70%). EBITDA declined 0.7% yoy to Rs458 mn (KIE: Rs316 mn), largely impacted by higher staff costs. EBITDA margin declined 65 bps yoy to 7.7% (KIE: 5.4%), driven by GM beat and better-than-expected operating leverage on A&P spends and other expenses. Staff costs grew 22.2% yoy to Rs604 mn, due to the roll-out of the new ESOP scheme. A&P/other expenses grew 3%/10% yoy to Rs2.05/Rs1.1 bn (/-)150 bps/45 bps yoy as % of sales). Other income grew 27.6% yoy to Rs239 mn. PBT/recurring PAT stood at Rs556 mn/Rs413 mn.
Gross margin (%)	71.7	70.7	71.2	-46 bps	48 bps	
EBITDA	461	270	458	(0.7)	69.7	
EBITDA margin (%)	8.3	5.1	7.7	-63 bps	263 bps	
Net income	403	250	413	2.6	65.4	
EPS (Rs/share)	1.3	0.8	1.3	2.6	65.4	
<b>Sula Vineyards</b>						
Revenues	1,209	1,257	1,096	(9.3)	(12.8)	Note: The yoy growth and margin expansion numbers are adjusted for a onetime WIPS adjustment benefit of ~Rs104 mn in 1QFY25.
Gross margin (%)	80.7	82.8	74.0	-671 bps	-880 bps	Sula's gross revenue was flat yoy at Rs1.2 bn (4.2% miss). Own brands/ hospitality revenue grew (-)1.8%/21.2% yoy (KIE: +3%/13% yoy). Own brands' performance was weak, as the business was impacted by urban weakness and lower wine off-takes amid pre-stocking of spirits due to the excise duty hike in MH. Elite and premium wines' value grew 1.2% yoy (KIE: 9% yoy). Economy and popular segments' value declined ~9% yoy. Net revenue declined 0.8% yoy to Rs1.1 bn (a 5.5% miss). GM declined 490 bps yoy to 74% (KIE: 80.9%) due to a change in the wine sourcing model for the wine tourism business (now done through a third-party distributor at a nominal handling fee), which increased COGS by 500 bps yoy. EBITDA declined 22.3% yoy to Rs183 mn (KIE: Rs273 mn) and EBITDA margin declined ~465 bps yoy to 16.7% (KIE: 23.5%) due to the GM decline. Employee costs/other expenses declined 1.9%/0.9% yoy to Rs234 mn/Rs395 mn (KIE: Rs257 mn/Rs408 mn), led by strong cost control. PBT/recurring PAT were at multi-quarter lows of Rs26 mn/Rs19 mn (KIE: Rs118 mn/Rs88 mn).
EBITDA	340	285	183	(46.1)	(35.7)	
EBITDA margin (%)	28.1	22.6	16.7	-1140 bps	-595 bps	
Net income	146	130	19	(86.7)	(85.1)	
EPS (Rs/share)	1.7	1.5	0.2	(86.7)	(85.1)	
<b>IGL Limited</b>						
Revenues	2,600	3,048	3,009	15.7	(1.3)	Consolidated revenues grew 16% yoy (2% beat), led by 18% yoy growth (3% beat) in the certification revenues (14%/24% yoy growth in ND/LGD loose stone certification revenue). ASP declined 3% yoy to Rs963 as a higher proportion of smaller natural diamond stones were certified in 2Q. Standalone revenues grew 19% (3.3% beat), led by 20% yoy growth in the certification revenues (15%/24%/14% yoy growth in ND/LGD/jewelry certification revenues). Standalone/consolidated certification volume grew 21%/21% yoy to 2.66/3.03 mn. The Netherlands subsidiary grew 20%+ yoy, driven by robust demand from China/Dubai and IGL expects this momentum to continue in 2H25. The Belgium subsidiary, impacted by tariff uncertainties, is expected to turn around in 3Q. Consolidated EBITDA grew 37% (~2% miss) on a low base, primarily due to operating leverage and a 6.4% decrease in employee costs (base quarter included one-off severance charges related to the US business). Consolidated EBITDA margin rose 890 bps yoy to 57.7% (KIE: 60%), as standalone/subsidiary EBITDA margins were +965/85 bps yoy at 73%/3.9% (KIE: 72%/20.2%). Depreciation declined 25% yoy due to the termination of one lease agreement in the US. Other income jumped 5.5X yoy due to higher cash balance. PBT/adj. PAT grew 54%/63% yoy to Rs1.8 bn (1.7% beat)/Rs1.3 bn (1.3% miss).
Gross margin (%)	99.8	99.8	100.4	59 bps	50 bps	
EBITDA	1,268	1,957	1,735	36.8	(11.3)	
EBITDA margin (%)	48.8	64.2	57.7	888 bps	-655 bps	
Net income	778	1,407	1,265	62.6	(10.1)	
EPS (Rs/share)	2.0	3.3	2.9	49.2	(10.1)	

Source: Company, Kotak Institutional Equities

**Quarterly earnings trends – detailed charts**

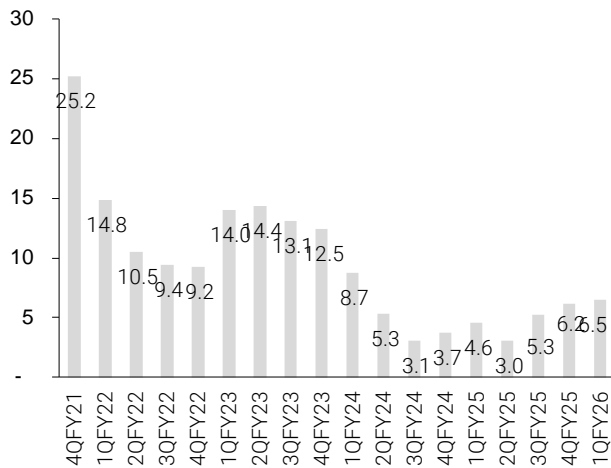
**LFL revenues grew ~9.5% yoy**

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



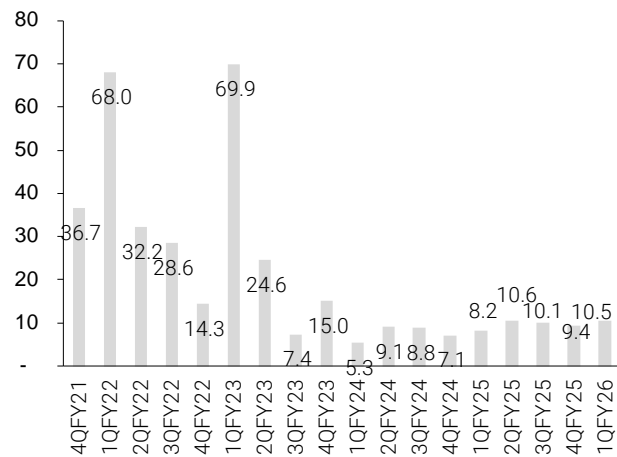
Source: Company, Kotak Institutional Equities

**Exhibit 8: KIE consumer staples universe reported revenue growth, yoy (%)**



Source: Company, Kotak Institutional Equities

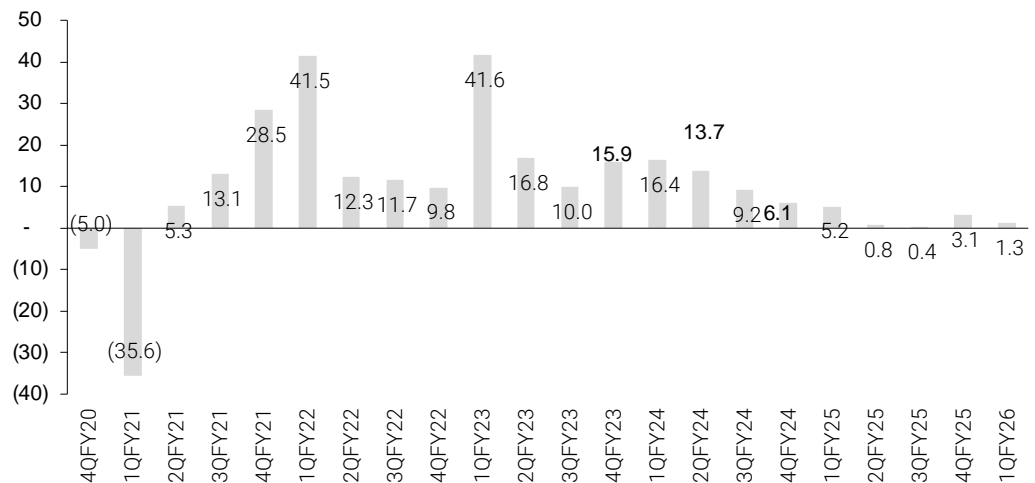
**Exhibit 9: KIE consumer discretionary universe revenue growth, yoy (%)**



Source: Company, Kotak Institutional Equities

### Aggregate LFL EBITDA was up 2.3% yoy

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

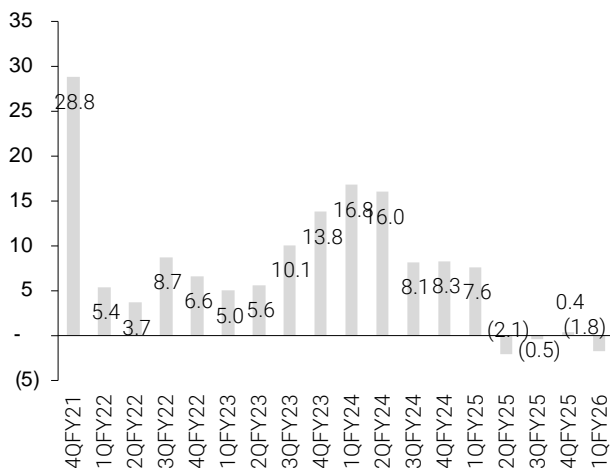


Note: EBITDA of QSR companies is on pre-Ind AS 116 basis

Source: Company, Kotak Institutional Equities

### Staples' LFL EBITDA declined ~2% yoy

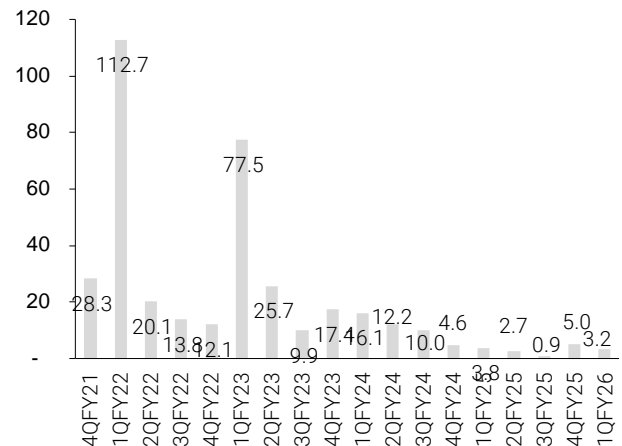
Exhibit 11: KIE consumer staples universe EBITDA growth, yoy (%)



Source: Company, Kotak Institutional Equities

### Discretionary (ex-ITC)'s EBITDA was up ~6% yoy

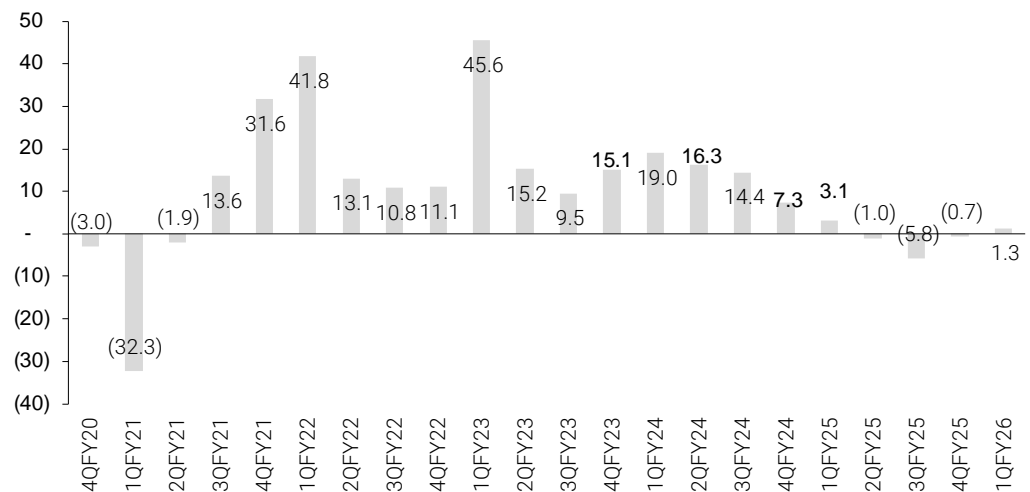
Exhibit 12: KIE consumer discretionary universe EBITDA growth, yoy (%)



Source: Company, Kotak Institutional Equities

### Aggregate PAT (LFL) grew 2% yoy

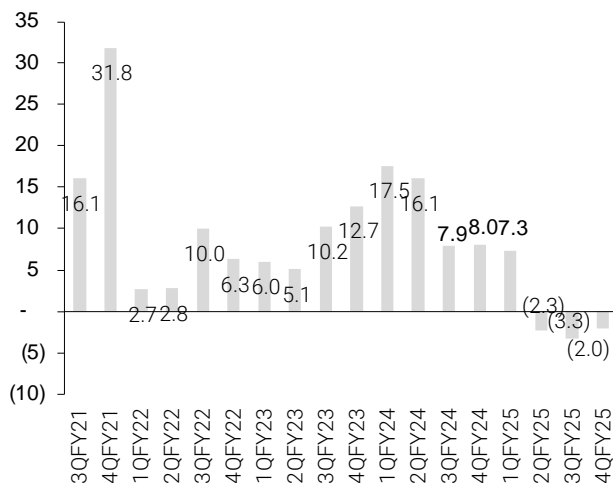
Exhibit 13: KIE consumer universe PAT growth trends, yoy (%)



Source: Company, Kotak Institutional Equities

### Staples' PAT (LFL) declined ~2.5% yoy

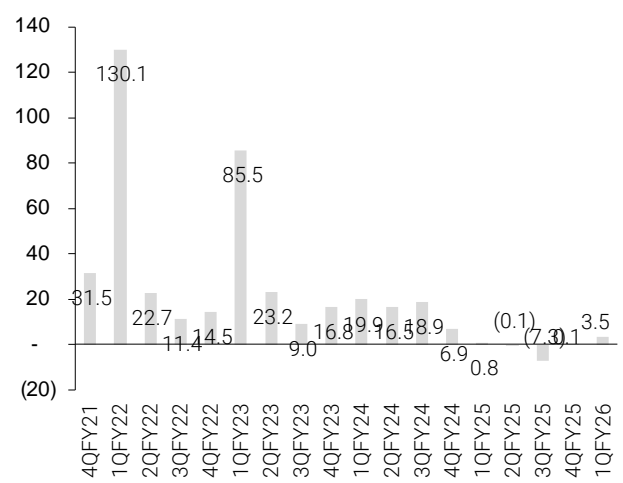
Exhibit 14: KIE consumer staples universe PAT growth trends, yoy (%)



Source: Company, Kotak Institutional Equities

### Discretionary (ex-ITC)'s PAT grew ~7% yoy

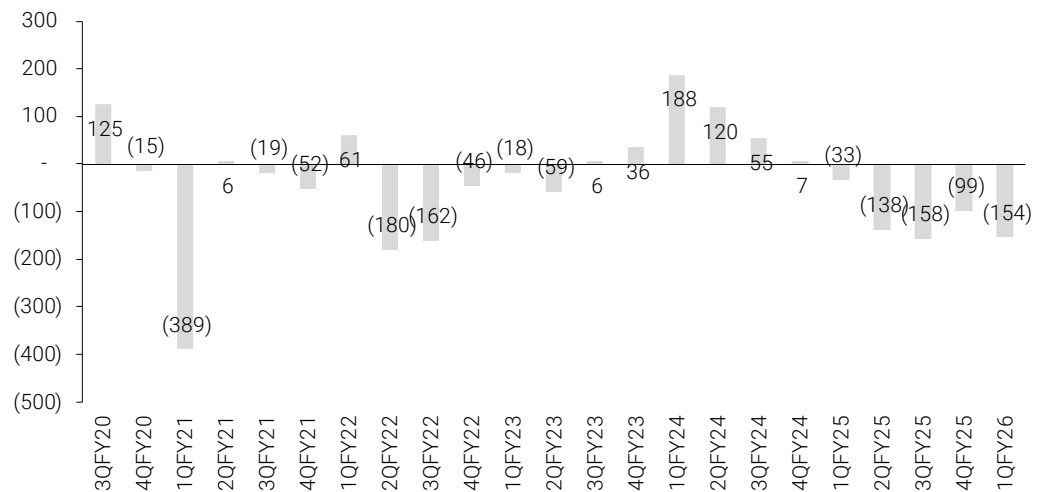
Exhibit 15: KIE consumer discretionary universe PAT growth trends, yoy (%)



Source: Company, Kotak Institutional Equities

**Reported EBITDA margin declined yoy due to GM decline and adverse operating leverage**

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

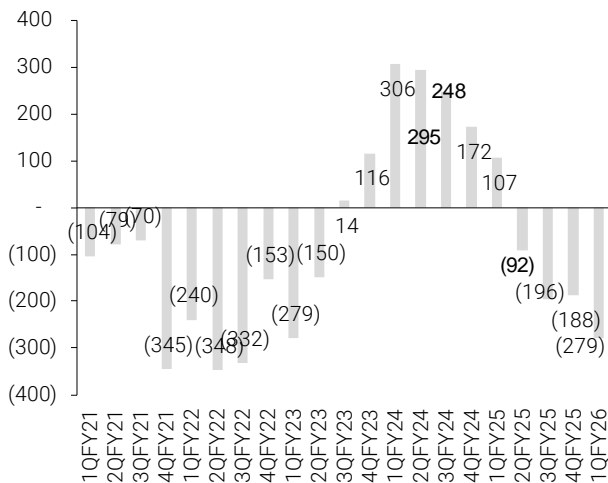


Note: EBITDA margin of QSR companies is on pre-Ind AS 116 basis

Source: Company, Kotak Institutional Equities

**GM declined as RM prices remain elevated and mix weakened**

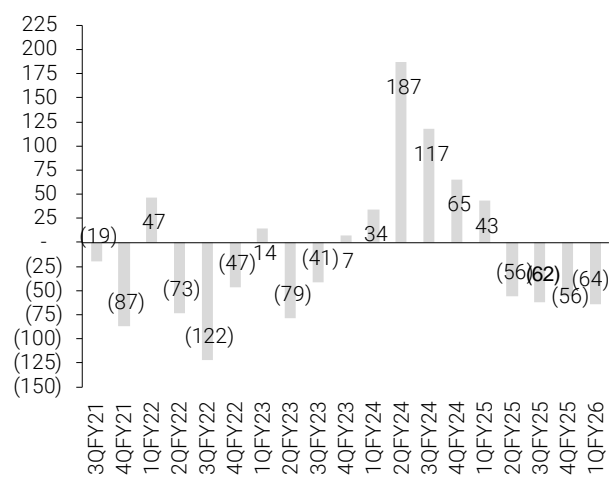
**Exhibit 17: KIE consumer universe GM change yoy (bps)**



Source: Company, Kotak Institutional Equities

**GM pressure led to some moderation in marketing spends**

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

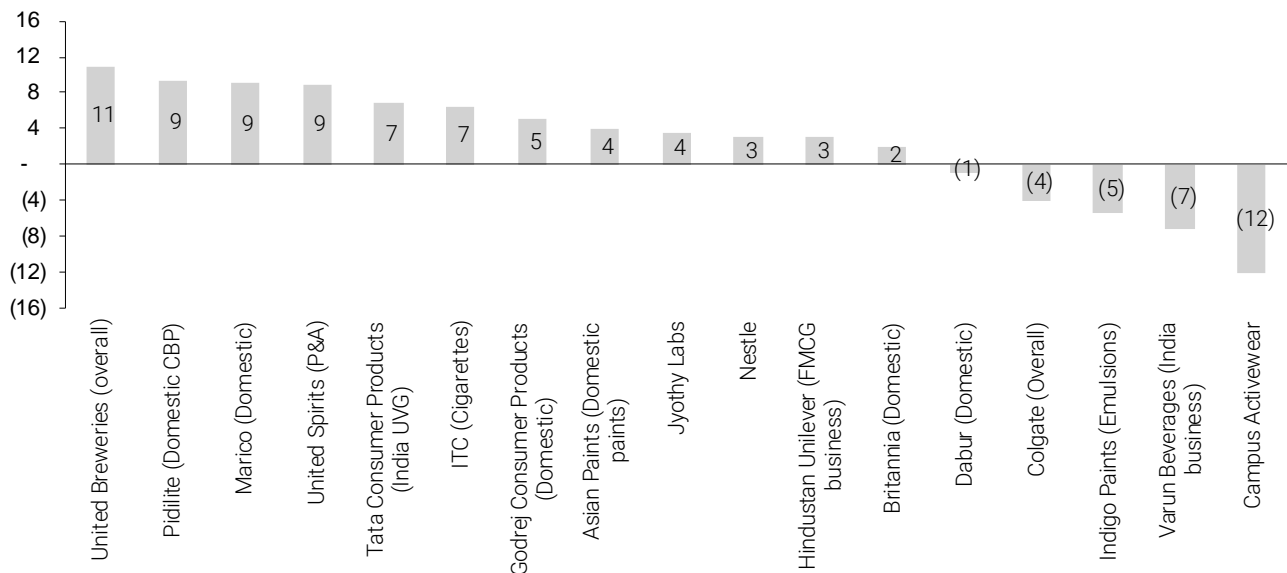


Source: Company, Kotak Institutional Equities



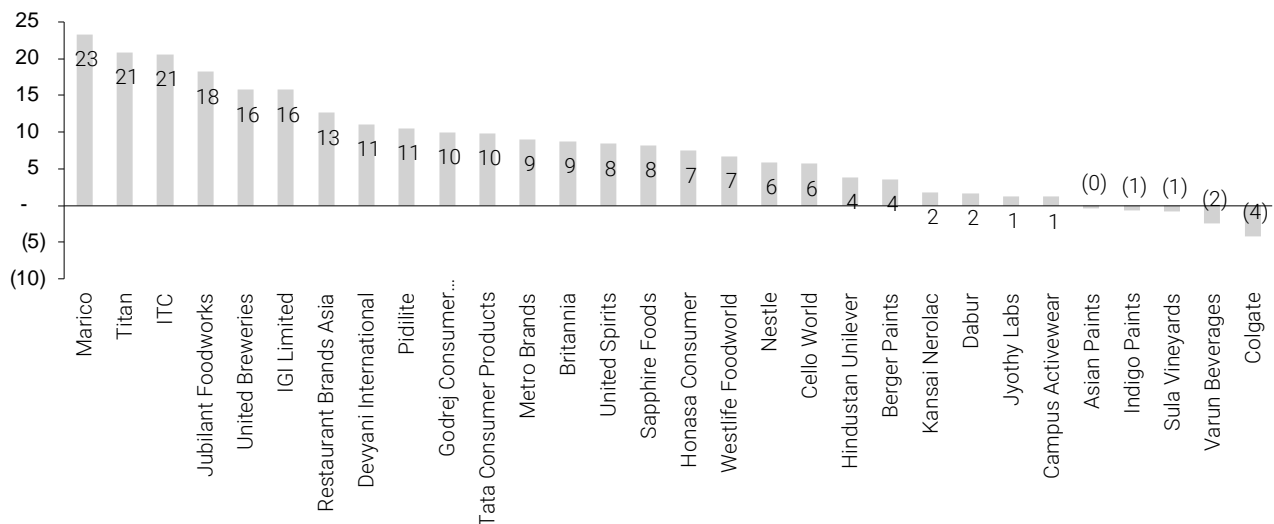
## Staples performance was largely in-line with expectations

Exhibit 19: KIE consumer universe company-wise volume growth % yoy for 1QFY26 (%)



Source: Company, Kotak Institutional Equities

Exhibit 20: KIE consumer universe company-wise revenue growth % yoy for 1QFY26 (%)



Notes:

(1) LFL revenue growth considered for ITC and Sula

(2) Standalone revenue growth considered for CLGT, HUVR, NEST, ITC, JUBI, KNPL, RBA, UBBL, and UNSP

Source: Company, Kotak Institutional Equities

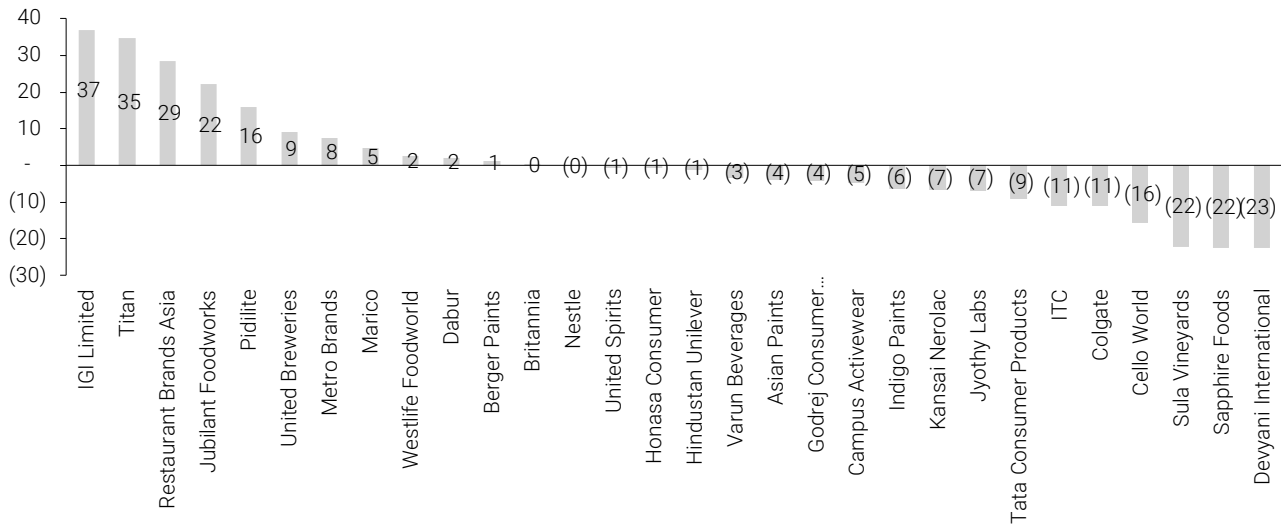
Exhibit 21: KIE consumer universe company-wise revenue growth (reported) trends, yoy (%)

	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
<b>Revenue</b>																		
Asian Paints	43.5	91.1	32.6	25.6	18.7	54.1	19.2	1.3	11.3	6.7	0.2	5.4	(0.6)	(2.3)	(5.3)	(6.1)	(4.3)	(0.3)
Berger Paints	49.5	93.2	27.7	20.4	8.0	53.4	20.0	5.6	11.7	9.8	3.6	7.0	3.1	2.0	0.3	3.2	7.3	3.6
Britannia	9.2	(0.5)	5.5	12.9	13.4	8.7	21.4	17.4	13.3	8.4	1.2	1.4	1.1	6.0	5.3	7.9	8.9	8.8
Cello World										9.2	8.9	23.7	4.7	6.1	0.2	5.7	14.9	5.7
Colgate	19.8	12.0	5.2	3.9	1.4	2.6	2.6	0.9	3.8	10.6	6.0	8.1	10.3	13.1	10.1	4.7	(1.8)	(4.2)
Dabur	25.3	31.9			7.7	8.1	6.0	3.4	6.4	10.9	7.3	7.0	5.1	7.0	(5.5)	3.1	0.6	1.7
Devyani International			124.4	64.7	36.4	99.8	44.8	26.6	27.8	20.1	9.6	6.6	38.7	44.3	49.1	53.5	15.8	11.1
Godrej Consumer Products	26.8	24.4	8.5	8.1	6.8	8.0	7.2	9.0	9.8	10.4	6.2	1.7	5.8	(3.4)	1.8	3.0	6.3	9.9
Hindustan Unilever	34.6	12.8	11.2	10.4	11.0	19.8	15.9	16.3	10.6	6.1	3.6	(0.3)	(0.2)	1.3	1.5	1.4	2.4	3.9
Honasa Consumer										48.8	20.9	27.8	21.5	19.3	(6.9)	6.0	13.3	7.4
Indigo Paints	40.8	49.2	26.7	26.6	13.4	43.6	23.7	6.0	12.9	28.8	15.0	25.8	18.3	7.8	7.4	(3.2)	0.7	(0.7)
ITC	22.6	37.1	12.6	32.5	16.8	41.5	26.7	2.3	5.6	(8.5)	2.6	1.6	1.1	7.4	16.8	3.5	4.0	16.2
Jubilant Foodworks	14.3	131.1	36.6	11.6	12.9	41.1	16.9	10.3	8.2	5.6	4.5	2.9	6.3	9.9	9.1	18.9	19.2	18.2
Jyothy Labs	26.0	21.4	16.0	13.1	10.4	13.7	12.6	13.7	12.8	15.0	11.1	10.6	7.0	8.0	0.2	4.0	1.0	1.3
Kansai Nerolac	34.7	121.0	16.2	11.9	5.8	47.1	19.3	4.1	14.1	6.5	1.7	5.7	3.5	(1.0)	1.0	1.5	4.7	1.8
Marico	34.5	31.2	21.6	13.4	7.4	1.3	3.2	2.6	3.7	(3.2)	(0.8)	(1.9)	1.7	6.7	7.6	15.4	19.8	23.3
Nestle	8.6	14.0	9.6	8.9	10.2	16.1	18.2	13.8	21.3	15.4	9.7	8.1	9.0	3.3	1.3	3.9	4.5	5.9
Pidlite	44.7	120.6	39.7	24.0	12.1	60.1	14.7	5.2	7.3	5.6	2.2	4.4	7.9	3.7	5.2	7.6	8.2	10.5
Restaurant Brands Asia	2.6	288.9	153.7	71.5	37.1	125.0	50.0	32.1	35.8	25.3	23.2	20.5	20.3	16.2	8.5	11.2	11.6	12.6
Sapphire Foods		173.0	76.9	52.0	45.9	80.3	35.9	17.5	12.8	19.8	14.2	11.6	12.7	9.8	8.3	13.7	12.6	8.1
Sula Vineyards								11.7	6.4	17.6	11.4	6.5	8.2	11.5	(1.0)	(1.4)	2.6	(9.3)
IGI Limited																6.0	9.6	15.7
Tata Consumer Products	27.1	10.9	9.1	4.5	4.3	10.6	10.9	8.3	12.7	12.5	11.0	9.5	9.2	16.9	13.5	17.4	18.9	9.8
Titan	61.1	74.5	66.0	30.6	2.0	175.8	21.8	14.3	33.4	24.4	33.6	20.0	16.0	8.1	13.3	23.3	19.7	20.8
Campus Activewear	81.7	388.9	151.6	44.4	28.1	149.6	22.0	7.4	(1.3)	4.8	(22.4)	1.4	4.6	(4.1)	28.9	9.1	11.5	1.2
Metro Brands				59.0	26.3	286.6	46.7	23.8	35.0	14.7	16.7	6.1	7.1	(1.1)	5.4	10.6	10.3	9.1
United Breweries	8.4	120.6	58.4	22.6	10.6	117.9	17.8	1.9	3.4	(6.7)	12.4	13.1	20.8	8.8	12.0	9.6	8.9	15.7
United Spirits	11.6	56.8	14.0	15.9	9.5	34.3	17.7	(3.6)	2.4	0.1	(0.5)	7.5	6.9	8.3	(0.8)	14.8	10.5	8.4
Varun Beverages	33.7	49.4	33.0	30.3	26.2	102.3	32.5	27.7	37.7	13.3	21.8	20.5	10.9	28.3	24.1	38.3	28.9	(2.5)
Westlife Foodworld	6.3	176.5	84.0	46.7	27.3	107.6	48.5	28.2	22.2	14.2	7.4	(1.8)	1.1	0.3	0.5	8.9	7.3	6.7
<b>Total</b>	<b>31.6</b>	<b>37.3</b>	<b>21.7</b>	<b>20.2</b>	<b>12.2</b>	<b>42.9</b>	<b>20.1</b>	<b>9.7</b>	<b>14.0</b>	<b>6.7</b>	<b>7.5</b>	<b>6.5</b>	<b>5.7</b>	<b>6.8</b>	<b>7.5</b>	<b>8.2</b>	<b>8.1</b>	<b>8.9</b>
<b>Staples</b>	<b>25.2</b>	<b>14.8</b>	<b>10.5</b>	<b>9.4</b>	<b>9.2</b>	<b>14.0</b>	<b>14.4</b>	<b>13.1</b>	<b>12.5</b>	<b>8.7</b>	<b>5.3</b>	<b>3.1</b>	<b>3.7</b>	<b>4.6</b>	<b>3.0</b>	<b>5.3</b>	<b>6.2</b>	<b>6.5</b>
<b>Discretionary</b>	<b>36.7</b>	<b>68.0</b>	<b>32.2</b>	<b>28.6</b>	<b>14.3</b>	<b>69.9</b>	<b>24.6</b>	<b>7.4</b>	<b>15.0</b>	<b>5.3</b>	<b>9.1</b>	<b>8.8</b>	<b>7.1</b>	<b>8.2</b>	<b>10.6</b>	<b>10.1</b>	<b>9.4</b>	<b>10.5</b>
<b>Domestic revenue (standalone)</b>																		
Asian Paints	46.2	95.6	35.9	27.6	19.2	58.5	19.4	0.4	12.8	7.0	(0.0)	5.2	(1.9)	(2.9)	(6.5)	(7.5)	(3.9)	(0.2)
Dabur	30.3	33.0	11.5	7.4	7.6	9.9	6.9	3.3	4.7	7.7	3.0	5.1	5.2	7.1	(8.2)	1.4	(3.7)	(1.8)
Godrej Consumer Products	34.6	20.3	9.5	7.2	9.0	11.4	8.0	10.6	11.5	8.4	9.2	9.7	11.6	7.9	6.1	2.6	7.4	7.7
Marico	35.0	34.8	23.6	11.3	5.1	(3.3)	(0.4)	1.9	0.9	(6.8)	(6.2)	(8.4)	(3.8)	2.4	3.9	13.4	14.2	20.9
<b>Total</b>	<b>39.9</b>	<b>53.2</b>	<b>24.5</b>	<b>18.4</b>	<b>13.7</b>	<b>29.8</b>	<b>12.3</b>	<b>2.5</b>	<b>9.7</b>	<b>5.3</b>	<b>1.0</b>	<b>4.0</b>	<b>0.8</b>	<b>1.0</b>	<b>(3.4)</b>	<b>(1.9)</b>	<b>0.2</b>	<b>3.5</b>

Source: Company, Kotak Institutional Equities

## Weak profitability in staples was due to GM pressure and weak operating leverage

Exhibit 22: KIE consumer universe company-wise EBITDA growth % yoy for 1QFY26 (%)



Notes:

- (1) EBITDA of QSR companies is on pre-Ind AS 116 basis
- (2) LFL adjustments made for ITC, UNSP, and Sula
- (3) Standalone EBITDA growth considered for CLGT, HUVR, NEST, ITC, JUBI, KNPL, RBA, UBBL, and UNSP

Source: Company, Kotak Institutional Equities

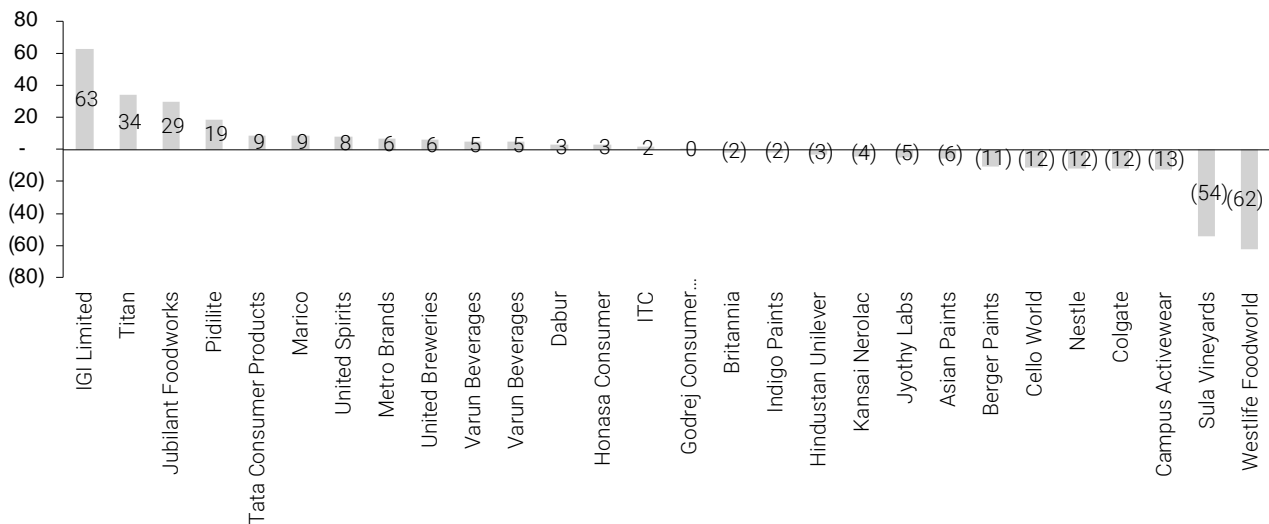
Exhibit 23: KIE consumer universe company-wise EBITDA growth (reported) trends, yoy (%)

	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Asian Paints	53.4	88.7	(28.5)	(13.7)	9.5	70.3	35.7	4.5	29.2	36.3	39.8	27.6	(9.3)	(20.2)	(27.8)	(20.4)	(15.1)	(4.1)
Berger Paints	61.0	159.0	5.6	(5.5)	3.2	69.7	2.8	(10.8)	6.4	37.5	30.1	37.3	(4.9)	(6.2)	(8.3)	(1.7)	21.9	1.1
Britannia	11.3	(22.8)	(17.3)	(11.7)	8.8	(9.6)	27.5	51.5	45.7	37.6	22.6	0.4	(1.7)	9.4	(10.2)	2.9	2.3	0.4
Campus Activewear	158.7	(184.8)	(2,250.8)	24.7	20.6	314.1	(21.6)	(1.0)	(27.9)	7.3	(43.7)	(38.8)	13.0	(21.8)	56.0	46.1	11.9	(4.8)
Cello World	-	-	-	-	-	-	-	-	-	-	-	30.0	20.0	8.5	(1.4)	(3.6)	1.5	(15.6)
Colgate	60.4	15.3	(2.1)	2.7	1.8	(8.3)	1.8	(5.0)	5.2	28.4	18.2	29.6	17.8	21.6	3.2	(3.0)	(6.4)	(11.0)
Dabur	25.6	32.5	9.0	9.3	2.5	(1.5)	(3.2)	(2.8)	(9.6)	11.2	10.0	9.5	13.9	8.3	(16.4)	2.1	(8.6)	2.0
Devyani International	-	-	750.5	123.5	44.2	474.2	42.2	14.2	(6.6)	(1.9)	(15.9)	(32.8)	5.0	26.8	20.8	65.9	12.7	(22.6)
Godrej Consumer Products	15.2	26.9	(2.0)	(3.7)	(14.8)	(13.2)	(17.8)	8.8	37.1	23.4	29.9	15.7	17.9	12.7	7.9	(10.1)	0.5	(4.1)
Hindustan Unilever	43.2	7.7	9.2	14.9	9.7	14.0	7.8	7.9	7.0	8.4	9.4	0.1	(1.0)	2.4	(1.3)	0.8	0.9	(1.3)
Honasa Consumer	-	-	-	-	-	-	-	-	-	(335.7)	52.7	192.0	NA	57.3	(176.4)	(24.1)	(18.5)	(0.7)
Indigo Paints	(7.9)	6.1	(19.6)	22.8	25.2	74.9	44.5	4.9	33.4	39.2	24.8	53.5	17.9	(3.5)	(1.5)	(8.1)	3.3	(6.5)
ITC	7.4	50.8	12.9	18.2	16.8	41.5	27.1	22.0	18.9	10.7	3.0	(3.2)	(0.8)	0.7	4.9	(3.3)	(2.9)	(0.5)
Jubilant Foodworks	80.7	NA	38.1	18.0	21.3	62.6	6.4	(16.4)	(24.0)	(18.7)	(19.2)	(9.7)	(5.8)	(4.8)	(4.0)	14.3	28.9	22.3
Jyothy Labs	75.4	(17.4)	(23.9)	(23.5)	(19.5)	(5.4)	21.0	38.2	59.6	96.7	68.5	40.7	19.1	13.6	2.2	(2.5)	3.2	(7.0)
Kansai Nerolac	59.1	135.7	(37.3)	(43.0)	(50.1)	34.7	19.8	14.1	50.3	30.6	36.8	27.3	17.5	0.2	(20.3)	2.9	(0.7)	(6.7)
Marico	13.1	3.0	8.7	4.4	8.5	9.8	2.4	5.8	13.6	8.7	14.8	12.5	12.5	9.1	5.0	3.9	3.6	4.6
Metro brands	-	-	-	70.8	52.9	1,152.5	52.0	22.2	10.6	2.0	5.6	(3.0)	10.5	(3.3)	(0.4)	13.1	24.3	7.5
Nestle	16.2	9.9	5.9	12.4	0.1	1.8	6.8	14.8	19.3	24.7	20.9	13.9	20.6	4.1	(5.0)	(0.9)	3.8	(0.2)
Pidlite	53.1	423.7	7.2	(14.3)	(13.0)	52.3	(9.0)	(9.7)	14.5	33.5	36.0	49.7	25.6	15.0	13.1	7.5	9.6	15.8
Restaurant Brands Asia	(117.0)	(55.4)	(102.4)	2,660.0	508.7	(115.9)	4,627.1	123.2	92.9	175.2	109.5	96.1	96.3	71.6	0.4	2.3	150.9	28.6
Sapphire Foods	-	-	-	140.6	130.4	676.3	143.8	(10.3)	(11.5)	6.9	8.7	(2.2)	(3.4)	(8.4)	(13.0)	12.3	(6.6)	(22.5)
Sula Vineyards	-	-	-	-	-	-	-	14.6	7.6	20.6	18.4	12.1	(4.4)	11.9	(24.0)	(26.2)	(3.4)	(46.1)
IGI Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18.5	12.8	36.8
Tata Consumer Products	(2.6)	(17.2)	3.4	27.8	48.0	14.5	5.0	(1.7)	15.2	19.2	23.8	26.2	23.0	22.4	16.6	(1.3)	(1.4)	(9.1)
Titan	31.7	(158.5)	224.5	63.1	(1.6)	708.3	29.4	(4.9)	33.5	(5.2)	9.8	9.5	6.2	9.8	5.0	21.0	29.7	34.8
United Breweries	97.6	(199.7)	309.6	0.1	(0.4)	177.8	32.3	(55.8)	(79.5)	(15.9)	(15.8)	89.9	165.6	27.8	22.9	(3.0)	31.2	9.1
United Spirits	51.7	(316.1)	57.8	27.9	3.6	63.5	4.8	(25.0)	(37.2)	35.7	5.4	33.6	35.1	23.1	7.8	19.7	39.5	(0.7)
Varun Beverages	40.7	51.1	29.9	20.5	39.1	119.1	41.3	48.1	50.3	20.8	26.2	36.0	23.9	31.8	30.5	38.7	27.8	0.4
Westlife Foodworld	89.3	(73.4)	(265.2)	121.0	76.6	(532.6)	181.1	41.6	23.8	17.2	(2.1)	(22.5)	(24.9)	(37.6)	(37.5)	(13.6)	(9.2)	2.5
<b>Total</b>	<b>28.5</b>	<b>41.5</b>	<b>12.3</b>	<b>11.7</b>	<b>9.8</b>	<b>41.6</b>	<b>16.8</b>	<b>10.0</b>	<b>15.9</b>	<b>16.4</b>	<b>13.7</b>	<b>9.2</b>	<b>6.1</b>	<b>5.2</b>	<b>0.8</b>	<b>0.4</b>	<b>3.1</b>	<b>1.3</b>
<b>Staples</b>	<b>28.8</b>	<b>5.4</b>	<b>3.7</b>	<b>8.7</b>	<b>6.6</b>	<b>5.0</b>	<b>5.6</b>	<b>10.1</b>	<b>13.8</b>	<b>16.8</b>	<b>16.0</b>	<b>8.1</b>	<b>8.3</b>	<b>7.6</b>	<b>(2.1)</b>	<b>(0.5)</b>	<b>0.4</b>	<b>(1.8)</b>
<b>Discretionary</b>	<b>28.3</b>	<b>112.7</b>	<b>20.1</b>	<b>13.8</b>	<b>12.1</b>	<b>77.5</b>	<b>25.7</b>	<b>9.9</b>	<b>17.4</b>	<b>16.1</b>	<b>12.2</b>	<b>10.0</b>	<b>4.6</b>	<b>3.8</b>	<b>2.7</b>	<b>0.9</b>	<b>5.0</b>	<b>3.2</b>

Note: EBITDA of QSR companies is on pre-IND AS 116 basis

Source: Company, Kotak Institutional Equities

Exhibit 24: KIE consumer universe company-wise recurring PAT growth % yoy for 1QFY26 (%)



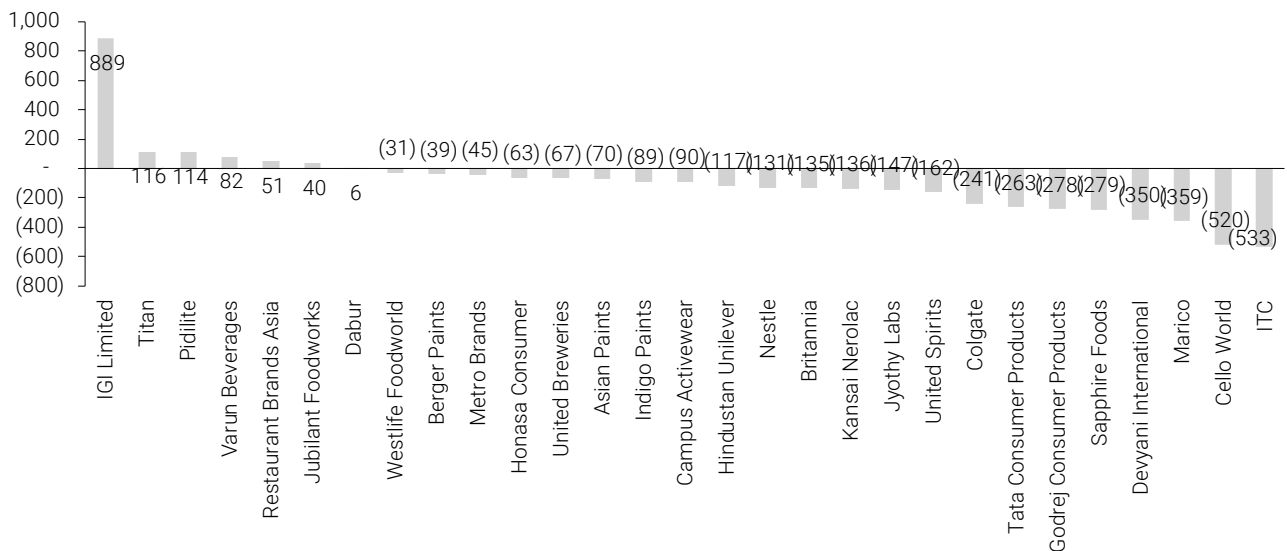
Source: Company, Kotak Institutional Equities

Exhibit 25: KIE consumer universe company-wise recurring PAT growth (reported) trends, yoy (%)

	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Asian Paints	84.5	160.2	(28.2)	(18.0)	13.4	83.1	31.3	5.6	30.3	48.9	54.0	35.0	(0.2)	(24.5)	(27.4)	(23.3)	(30.4)	(6.0)
Berger Paints	101.1	811.7	(0.9)	(8.0)	5.8	80.3	0.2	(20.5)	(15.8)	39.8	33.0	49.1	19.6	(0.2)	(7.5)	(1.5)	18.0	(11.0)
Britannia	(2.9)	(28.6)	(22.9)	(18.3)	4.3	(13.4)	28.4	49.6	47.1	35.6	19.1	0.4	(3.6)	15.9	(9.5)	4.0	4.0	(1.8)
Campus Activewear	22.0	(110.1)	(206.0)	15.6	295.4	1,484.8	26.9	(11.7)	(42.1)	0.5	(97.8)	(48.5)	42.7	(19.4)	4,368.7	86.7	7.0	(12.5)
Cello World	-	-	-	-	-	-	-	-	-	-	-	-	-	6.6	2.0	1.8	(0.7)	(11.6)
Colgate	81.7	17.7	(1.8)	1.6	2.8	(6.1)	3.3	(3.6)	(1.7)	33.9	22.3	35.7	19.4	24.1	16.2	(2.2)	(6.5)	(11.9)
Dabur	27.1	28.0	4.7	2.3	0.4	0.7	(2.8)	(5.4)	(20.7)	5.4	5.1	8.0	16.2	7.8	(17.5)	1.6	(8.4)	2.8
Devyani International	-	-	NA	NA	NA	NA	44.1	22.0	(23.8)	(38.8)	(26.9)	(93.6)	(111.0)	(34.3)	(103.8)	(307.7)	132.0	(95.4)
Godrej Consumer Products	41.0	38.2	4.8	3.7	(10.7)	(16.4)	(20.6)	7.8	23.6	15.5	16.7	6.2	1.7	17.6	11.6	(14.3)	(8.1)	0.2
Hindustan Unilever	43.2	4.8	7.5	17.5	8.6	16.7	8.8	12.6	8.2	9.2	12.1	(1.5)	(3.0)	2.9	(2.1)	(0.0)	4.2	(3.2)
Honasa Consumer	-	-	-	-	-	-	-	-	-	(314.4)	93.8	263.4	NA	62.9	(163.1)	0.5	(18.0)	2.6
Indigo Paints	(8.9)	38.2	(27.9)	29.4	39.1	71.5	53.2	8.0	40.7	58.3	22.0	43.0	11.8	(15.4)	(12.1)	(4.5)	5.4	(2.2)
ITC	8.4	28.6	13.7	12.7	11.8	38.4	20.8	21.0	19.6	17.6	10.3	10.9	0.2	0.4	3.1	(12.3)	(2.9)	(0.2)
Jubilant Foodworks	130.7	(193.8)	59.6	10.9	11.7	87.3	(2.9)	(35.5)	(42.0)	(41.1)	(39.5)	(31.2)	(44.3)	(31.5)	(27.8)	7.9	31.5	29.5
Jyothy Labs	83.4	(21.6)	(28.8)	(30.5)	(28.1)	18.2	29.3	75.4	55.4	98.9	80.8	34.9	32.4	5.6	0.8	(3.8)	3.1	(4.9)
Kansai Nerolac	78.8	178.3	(40.9)	(46.0)	(63.9)	37.0	19.0	2.9	103.7	40.0	53.4	40.4	28.2	5.7	(27.6)	14.4	2.4	(4.3)
Marico	12.9	(6.6)	17.0	1.0	14.6	4.2	(2.6)	5.8	20.3	15.1	17.3	16.8	5.3	8.7	19.8	4.2	7.9	8.6
Metro brands	-	-	-	54.6	66.6	(979.2)	40.6	11.8	(1.6)	(11.7)	(13.3)	(13.0)	127.2	(0.9)	6.5	(3.7)	(38.5)	6.4
Nestle	14.6	10.7	5.2	28.9	(1.3)	(4.3)	8.3	0.8	23.9	35.5	19.9	21.5	25.4	6.9	(13.2)	(8.8)	(4.2)	(11.7)
Pidlite	65.5	721.8	5.1	(18.9)	(17.9)	60.7	(11.3)	(15.2)	11.3	32.4	35.4	67.8	31.5	21.1	18.8	8.2	20.2	18.6
Restaurant Brands Asia	NA	NA	NA	NA	NA	NA	NA	NA	NA	(2.6)	(29.6)	NA	NA	NA	NA	NA	NA	NA
Sapphire Foods	-	(64.9)	(63.2)	1,678.2	(293.0)	(244.5)	(626.1)	(35.9)	411.3	(34.8)	(43.4)	(69.9)	(98.5)	(67.1)	(65.9)	29.5	189.2	(121.2)
Sula Vineyards	-	-	-	-	-	-	-	15.6	4.8	25.2	18.5	9.3	(4.9)	6.9	(37.3)	(34.7)	(3.8)	(86.7)
IGI Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45.1	11.6	62.6
Tata Consumer Products	8.5	(28.5)	1.2	24.0	100.4	47.8	(3.3)	(1.8)	16.4	15.1	28.4	35.6	57.3	(4.5)	11.0	(23.0)	(30.7)	8.7
Titan	48.3	(122.6)	222.1	77.5	2.5	1,200.0	33.7	(3.6)	35.4	(2.0)	9.7	9.4	7.1	(0.9)	(1.9)	13.4	10.7	33.8
United Breweries	134.9	(127.0)	1,911.2	(28.3)	68.4	424.3	66.4	NA	(94.0)	(15.8)	(19.8)	NA	NA	27.3	22.9	(54.9)	20.5	6.0
United Spirits	125.0	(175.2)	112.5	26.6	27.0	135.7	5.5	(10.1)	(53.1)	(2.6)	7.8	33.1	95.4	23.4	7.9	20.1	58.9	8.0
Varun Beverages	143.7	123.0	59.7	(550.0)	98.2	151.6	53.3	150.2	61.8	25.4	30.1	76.1	25.0	25.5	22.2	36.8	33.5	5.1
Westlife Foodworld	NA	NA	NA	NA	NA	NA	NA	74.7	31.1	22.2	(29.1)	(52.6)	(96.2)	(88.7)	(98.4)	(59.3)	99.4	(62.3)
<b>Total</b>	<b>31.6</b>	<b>41.8</b>	<b>13.1</b>	<b>10.8</b>	<b>11.1</b>	<b>45.6</b>	<b>15.2</b>	<b>9.5</b>	<b>15.1</b>	<b>19.0</b>	<b>16.3</b>	<b>14.4</b>	<b>7.3</b>	<b>3.1</b>	<b>(1.0)</b>	<b>(5.8)</b>	<b>(0.7)</b>	<b>1.3</b>
<b>Staples</b>	<b>31.8</b>	<b>2.7</b>	<b>2.8</b>	<b>10.0</b>	<b>6.3</b>	<b>6.0</b>	<b>5.1</b>	<b>10.2</b>	<b>12.7</b>	<b>17.5</b>	<b>16.1</b>	<b>7.9</b>	<b>8.0</b>	<b>7.3</b>	<b>(2.3)</b>	<b>(3.3)</b>	<b>(2.0)</b>	<b>(2.4)</b>
<b>Discretionary</b>	<b>31.5</b>	<b>130.1</b>	<b>22.7</b>	<b>11.4</b>	<b>14.5</b>	<b>85.5</b>	<b>23.2</b>	<b>9.0</b>	<b>16.8</b>	<b>19.9</b>	<b>16.5</b>	<b>18.9</b>	<b>6.9</b>	<b>0.8</b>	<b>(0.1)</b>	<b>(7.3)</b>	<b>0.1</b>	<b>3.5</b>

Source: Company, Kotak Institutional Equities

Exhibit 26: KIE consumer universe company-wise EBITDA margin change for 1QFY26, yoy (bps)



Note: EBITDA margins of QSR companies are on pre-Ind AS 116 basis

Source: Company, Kotak Institutional Equities

Exhibit 27: KIE consumer universe company-wise EBITDA margin (reported) trends (%)

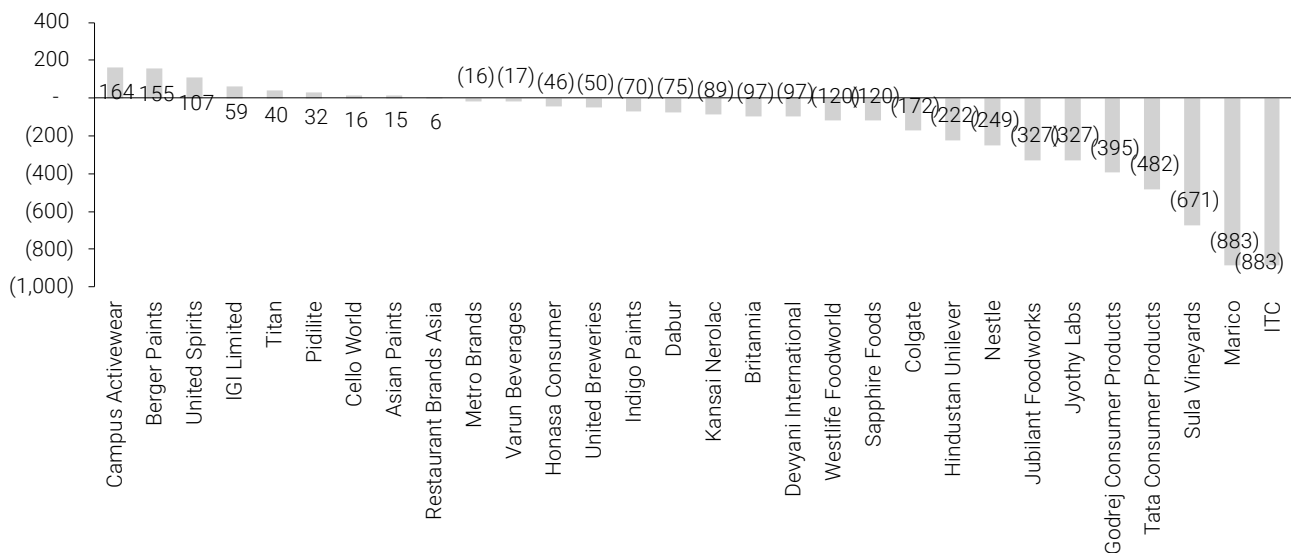
	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Asian Paints	19.8	16.4	12.7	18.1	18.3	18.1	14.5	18.7	21.2	23.1	20.2	22.6	19.4	18.9	15.4	19.1	17.2	18.2
Berger Paints	16.6	13.3	15.9	15.4	15.8	14.7	13.6	13.0	15.1	18.4	17.1	16.7	13.9	16.9	15.6	15.9	15.8	16.5
Britannia	16.1	16.3	15.5	15.1	15.5	13.5	16.3	19.5	19.9	17.2	19.7	19.3	19.4	17.7	16.8	18.4	18.2	16.4
Campus Activewear	23.6	11.0	20.3	21.4	22.3	18.3	13.0	19.7	16.3	18.7	9.5	11.9	17.6	15.3	11.5	16.0	17.6	14.4
Cello World	-	-	-	-	-	-	-	23.9	22.7	25.3	24.6	25.1	26.0	25.8	24.2	22.9	23.0	20.6
Colgate	32.9	30.5	29.6	29.7	33.0	27.2	29.4	28.0	33.5	31.6	32.8	33.6	35.7	34.0	30.7	31.1	34.1	31.6
Dabur	18.9	21.1	22.0	21.3	18.0	19.3	20.1	20.0	15.3	19.3	20.6	20.5	16.6	19.6	18.2	20.3	15.1	19.6
Devyani International	15.7	5.6	15.3	16.4	16.6	16.1	15.1	14.8	12.1	13.2	11.5	9.3	9.2	11.6	9.4	10.1	8.9	8.1
Godrej Consumer Products	20.1	20.7	20.8	20.2	16.0	16.7	16.0	20.2	20.0	18.6	19.5	23.0	22.3	21.7	20.7	20.1	21.1	19.0
Hindustan Unilever	24.4	23.9	24.6	25.0	24.1	22.8	22.9	23.2	23.3	23.2	24.2	23.3	23.1	23.5	23.5	23.2	22.8	22.3
Honasa Consumer	-	-	-	-	-	(4.0)	6.4	3.1	(0.8)	6.3	8.1	7.1	7.0	8.3	(6.6)	5.0	5.1	7.7
Indigo Paints	16.9	12.9	11.9	14.6	18.6	15.7	13.9	14.4	22.0	17.0	15.1	17.6	22.0	15.2	13.9	16.7	22.6	14.3
ITC	33.6	32.7	36.3	32.2	33.6	32.7	36.4	38.4	37.9	39.5	36.5	36.5	37.2	37.0	32.8	34.2	34.7	31.7
Jubilant Foodworks	16.3	15.1	18.9	19.4	17.5	17.4	17.2	14.7	12.3	13.4	13.3	12.9	10.9	11.6	11.7	12.4	11.8	12.0
Jyothy Labs	14.3	12.0	11.3	11.3	10.4	10.0	12.1	13.7	14.7	17.0	18.4	17.4	16.4	17.9	18.8	16.4	16.7	16.5
Kansai Nerolac	15.3	14.4	10.8	10.0	7.2	13.1	10.9	11.0	9.5	16.1	14.6	13.2	10.8	16.3	11.5	13.4	10.2	14.9
Marico	15.9	19.0	17.5	17.9	16.0	20.6	17.3	18.5	17.5	23.2	20.1	21.2	19.4	23.7	19.6	19.1	16.8	20.1
Metro brands	26.6	11.1	29.8	34.7	32.2	36.0	30.9	34.3	26.4	32.0	28.0	31.3	27.2	31.3	26.4	32.0	30.7	30.9
Nestle	25.8	24.0	24.5	22.8	23.4	21.0	22.1	22.9	23.0	22.7	24.4	24.2	25.4	22.9	22.9	23.1	25.2	21.6
Pidlite	20.6	17.9	20.9	19.3	16.0	17.1	16.6	16.5	17.1	21.6	22.1	23.7	19.9	23.9	23.8	23.7	20.1	25.1
Restaurant Brands Asia	0.2	(15.6)	0.1	2.5	1.0	1.1	3.2	4.2	1.5	2.4	5.4	6.8	2.4	3.6	5.0	6.2	5.4	4.1
Sapphire Foods	8.1	3.1	6.2	16.2	12.8	13.2	11.1	12.4	10.0	11.8	10.6	10.8	8.6	9.8	8.5	10.7	7.1	7.1
Sula Vineyards	-	-	-	32.7	26.9	27.3	31.1	33.6	27.2	28.0	33.1	35.4	24.0	28.1	25.4	26.5	22.6	16.7
IGI Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	57.4	64.2	57.7
Tata Consumer Products	9.9	13.4	13.7	14.5	14.1	13.8	13.0	13.1	14.4	14.6	14.5	15.1	16.2	15.3	14.9	12.7	13.5	12.7
Titan	11.1	4.4	13.3	14.7	10.7	13.0	14.1	12.2	10.8	9.9	11.6	11.2	9.9	10.0	10.8	11.0	10.7	11.2
United Breweries	16.9	8.5	11.6	11.0	15.3	10.9	13.0	4.8	3.0	9.8	9.8	8.0	6.7	11.5	10.7	7.1	8.0	10.8
United Spirits	18.5	10.4	17.4	17.0	17.5	12.6	15.5	13.2	10.7	17.1	16.4	16.4	13.6	19.5	17.8	17.1	17.1	17.9
Varun Beverages	17.0	23.3	20.6	12.0	18.8	25.2	22.0	13.9	20.5	26.9	22.8	15.7	22.9	27.7	24.0	15.7	22.7	28.5
Westlife Foodworld	8.2	(5.9)	6.8	12.4	11.4	12.4	12.8	13.7	11.5	12.7	11.7	10.8	8.6	7.9	7.2	8.6	7.2	7.6
<b>Total</b>	<b>21.5</b>	<b>20.7</b>	<b>21.4</b>	<b>21.2</b>	<b>21.0</b>	<b>20.6</b>	<b>20.8</b>	<b>21.3</b>	<b>21.4</b>	<b>22.4</b>	<b>22.0</b>	<b>21.8</b>	<b>21.5</b>	<b>22.1</b>	<b>20.6</b>	<b>20.2</b>	<b>20.5</b>	<b>20.6</b>
<b>Staples</b>	<b>21.1</b>	<b>21.2</b>	<b>21.5</b>	<b>21.4</b>	<b>20.6</b>	<b>19.5</b>	<b>19.9</b>	<b>20.9</b>	<b>20.9</b>	<b>21.0</b>	<b>21.9</b>	<b>21.8</b>	<b>21.5</b>	<b>21.6</b>	<b>20.8</b>	<b>20.7</b>	<b>20.6</b>	<b>19.9</b>
<b>Discretionary</b>	<b>21.8</b>	<b>20.3</b>	<b>21.2</b>	<b>21.0</b>	<b>21.4</b>	<b>21.2</b>	<b>21.4</b>	<b>21.5</b>	<b>21.8</b>	<b>23.4</b>	<b>22.0</b>	<b>21.8</b>	<b>21.3</b>	<b>22.4</b>	<b>20.4</b>	<b>20.0</b>	<b>20.4</b>	<b>21.0</b>

Note: EBITDA margins of QSR companies are on pre-Ind AS 116 basis

Source: Company, Kotak Institutional Equities

## Gross margin compression across the universe was due to a mix of RM inflation and weakening mix

Exhibit 28: KIE consumer universe company-wise gross margin change for 1QFY26, yoy (bps)



Source: Company, Kotak Institutional Equities



**Exhibit 29: KIE consumer universe company-wise gross margin (reported) trends (%)**

	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Asian Paints	43.2	38.4	34.7	36.8	38.7	37.7	35.7	38.6	42.5	42.9	43.4	43.6	43.7	42.5	40.8	42.4	43.9	42.7
Berger Paints	43.7	38.6	38.3	36.7	38.9	35.7	35.3	34.7	39.8	39.8	41.1	41.1	40.7	39.9	41.7	41.6	42.7	41.4
Britannia	40.5	38.7	37.5	37.9	38.0	36.9	38.9	43.7	44.9	41.9	42.9	43.9	44.9	43.4	41.5	38.7	40.1	40.3
Campus Activewear	48.8	55.3	50.5	49.2	48.4	49.6	47.9	48.6	51.4	53.4	54.3	51.3	49.9	53.0	52.4	50.8	51.7	54.6
Cello World	-	-	-	-	-	-	-	-	50.1	52.6	53.4	51.5	52.9	53.8	51.6	49.7	51.9	54.0
Colgate	67.7	69.1	66.8	66.6	66.8	66.3	63.8	65.9	66.9	68.4	68.8	72.2	69.3	70.6	68.5	69.9	70.6	68.9
Dabur	48.7	48.1	48.8	48.3	47.4	45.9	45.4	45.5	45.8	46.6	48.3	48.6	48.6	47.8	49.3	48.1	46.7	47.0
Devyani International	71.4	71.2	71.0	71.4	71.3	71.1	70.2	69.3	69.6	70.8	70.8	70.6	69.2	69.2	69.3	68.7	68.5	68.2
Godrej Consumer Products	55.7	52.2	49.8	50.7	49.5	46.6	47.9	51.1	52.9	53.7	54.9	55.9	56.1	55.9	55.6	54.1	52.5	51.9
Hindustan Unilever	52.6	50.4	51.6	52.1	49.5	47.4	45.8	47.5	48.7	49.9	52.3	51.5	51.9	51.4	51.0	50.7	50.5	49.2
Honasa Consumer	-	-	-	-	-	72.6	69.0	70.7	68.6	71.0	69.5	68.6	70.0	71.7	68.8	70.0	70.7	71.2
Indigo Paints	46.7	45.5	41.7	42.9	43.6	45.2	41.7	43.8	46.8	47.3	45.6	48.2	48.9	46.6	43.7	46.6	46.8	45.9
ITC	54.8	53.0	58.1	51.9	53.8	51.4	57.7	59.4	59.6	60.0	57.9	59.1	60.5	58.2	53.4	55.2	55.4	49.4
Jubilant Foodworks	77.5	77.2	78.2	77.6	76.9	76.7	76.2	75.5	75.3	76.0	76.4	76.7	76.6	76.1	76.1	75.1	74.5	74.1
Jyothy Labs	45.5	43.3	40.1	41.6	41.4	39.8	40.5	43.1	45.7	47.8	49.2	49.7	49.5	51.2	50.2	49.7	49.1	48.0
Kansai Nerolac	34.4	34.3	28.9	29.5	27.7	29.9	28.6	30.2	31.6	35.3	35.7	36.2	34.8	37.0	34.0	35.3	34.6	36.1
Marico	44.1	41.0	42.5	43.7	44.5	45.0	43.6	44.9	47.4	50.0	50.5	51.3	51.6	52.3	50.8	49.5	48.6	46.9
Metro brands	54.8	55.7	57.5	59.1	57.3	59.7	57.3	59.2	55.9	59.1	56.8	59.9	56.4	59.5	55.0	58.6	57.5	59.3
Nestle	58.5	57.0	55.7	57.0	55.4	54.0	52.8	54.9	53.8	54.8	56.5	58.6	56.8	57.6	56.6	56.4	56.2	55.2
Pidlite	50.8	49.1	45.4	43.6	43.5	41.7	41.0	41.8	46.8	49.0	51.3	52.9	53.4	53.8	54.4	54.3	55.0	54.1
Restaurant Brands Asia	65.6	65.2	65.4	66.1	66.1	66.4	66.4	66.4	66.4	66.5	66.8	67.1	67.7	67.6	67.5	67.8	67.8	67.7
Sapphire Foods	70.5	70.3	69.6	69.2	68.7	67.9	66.4	67.1	67.9	68.5	68.7	68.9	68.9	68.6	68.8	68.6	68.2	67.4
Sula Vineyards	-	-	-	67.3	80.3	77.7	76.4	68.2	79.1	78.9	78.1	71.8	80.0	80.7	78.9	67.6	82.8	74.0
IGI Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	99.6	99.8	100.4
Tata Consumer Products	39.2	40.8	42.8	43.7	44.6	42.6	41.7	41.5	41.8	42.2	42.5	43.8	46.1	44.9	43.6	41.1	41.9	40.1
Titan	21.4	21.2	24.3	24.6	24.4	24.4	26.5	23.0	22.9	21.0	22.4	21.7	21.2	20.9	21.6	20.8	21.7	21.3
United Breweries	52.0	48.3	51.7	50.0	48.7	44.3	46.7	41.8	38.6	40.6	44.5	44.0	41.7	43.0	43.8	43.1	42.1	42.5
United Spirits	43.9	44.6	44.2	44.1	41.7	40.9	39.5	40.6	42.6	43.0	43.4	43.4	43.3	44.5	45.2	44.7	44.5	45.5
Varun Beverages	55.8	53.5	52.8	55.4	51.5	50.5	53.7	56.3	52.4	52.5	55.3	56.6	56.3	54.7	55.5	56.1	54.6	54.5
Westlife Foodworld	66.5	65.4	64.7	66.4	65.0	64.3	65.5	66.9	71.9	70.6	70.1	70.3	70.2	70.8	69.7	70.1	70.0	71.6
<b>Total</b>	<b>48.3</b>	<b>47.6</b>	<b>47.2</b>	<b>46.2</b>	<b>46.7</b>	<b>44.9</b>	<b>45.7</b>	<b>46.3</b>	<b>47.9</b>	<b>47.9</b>	<b>48.6</b>	<b>48.8</b>	<b>49.6</b>	<b>49.0</b>	<b>47.7</b>	<b>46.8</b>	<b>47.7</b>	<b>46.2</b>
<b>Staples</b>	<b>50.7</b>	<b>48.8</b>	<b>49.1</b>	<b>49.7</b>	<b>48.6</b>	<b>47.0</b>	<b>46.3</b>	<b>48.1</b>	<b>49.2</b>	<b>49.9</b>	<b>51.4</b>	<b>51.8</b>	<b>52.2</b>	<b>51.7</b>	<b>51.0</b>	<b>49.9</b>	<b>49.9</b>	<b>48.8</b>
<b>Discretionary</b>	<b>46.5</b>	<b>46.6</b>	<b>45.6</b>	<b>43.8</b>	<b>45.4</b>	<b>43.5</b>	<b>45.2</b>	<b>45.0</b>	<b>47.0</b>	<b>46.6</b>	<b>46.7</b>	<b>46.8</b>	<b>47.9</b>	<b>47.3</b>	<b>45.5</b>	<b>44.9</b>	<b>46.4</b>	<b>44.6</b>

Source: Company, Kotak Institutional Equities

**Exhibit 30: KIE consumer universe company-wise A&SP trends (% of sales)**

	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Colgate	11.6	13.7	13.7	11.8	11.3	13.6	11.4	13.2	10.6	13.7	14.0	14.6	11.3	13.3	15.0	13.7	12.3	13.1
Dabur	6.6	7.2	7.2	8.1	6.0	5.6	5.1	5.9	5.7	6.5	6.8	7.5	6.5	7.0	7.5	6.8	6.2	5.9
Godrej Consumer Products	7.0	5.1	6.0	6.9	6.3	6.4	8.4	7.7	7.0	9.3	10.2	9.4	9.0	9.9	9.9	9.7	8.6	8.6
Hindustan Unilever	11.6	8.6	9.5	9.1	9.6	9.3	7.1	7.9	8.7	9.8	11.3	10.5	10.7	10.7	9.4	9.5	9.6	9.8
Honasa Consumer	-	-	-	-	-	41.3	34.8	34.3	32.8	34.9	35.1	34.0	34.0	36.1	39.6	34.2	34.5	34.6
Jyothy Labs	7.8	8.2	6.9	7.1	7.2	7.5	6.3	6.8	7.5	7.3	7.8	9.0	9.1	8.3	8.3	9.0	8.0	7.8
Marico	8.6	6.9	8.0	9.3	9.4	7.8	8.5	8.9	9.4	8.6	10.8	10.2	9.9	9.1	10.9	10.5	11.2	9.2
Titan	1.1	1.1	1.5	1.8	2.1	1.9	2.0	1.9	2.0	1.9	1.8	1.8	1.6	1.7	1.9	1.7	1.8	1.8
United Spirits	4.6	5.2	7.3	10.3	5.4	6.5	5.5	10.0	13.8	6.8	8.4	11.0	12.2	7.4	9.0	11.0	10.8	9.3
<b>Total</b>	<b>7.5</b>	<b>6.8</b>	<b>7.1</b>	<b>7.1</b>	<b>7.1</b>	<b>7.0</b>	<b>6.3</b>	<b>6.7</b>	<b>7.1</b>	<b>7.3</b>	<b>8.2</b>	<b>7.9</b>	<b>7.8</b>	<b>7.8</b>	<b>7.6</b>	<b>7.2</b>	<b>7.2</b>	<b>7.1</b>
<b>Staples</b>	<b>9.7</b>	<b>7.7</b>	<b>8.6</b>	<b>8.6</b>	<b>8.6</b>	<b>8.6</b>	<b>7.6</b>	<b>8.1</b>	<b>8.3</b>	<b>9.4</b>	<b>10.6</b>	<b>10.1</b>	<b>9.7</b>	<b>10.1</b>	<b>9.8</b>	<b>9.6</b>	<b>9.2</b>	<b>9.2</b>
<b>Discretionary</b>	<b>1.9</b>	<b>2.5</b>	<b>3.0</b>	<b>3.8</b>	<b>3.0</b>	<b>2.8</b>	<b>2.9</b>	<b>3.5</b>	<b>4.4</b>	<b>2.7</b>	<b>3.1</b>	<b>3.5</b>	<b>3.6</b>	<b>2.6</b>	<b>3.2</b>	<b>3.4</b>	<b>3.4</b>	<b>2.9</b>

Source: Company, Kotak Institutional Equities

**Exhibit 31: KIE consumer universe company-wise effective tax-rate trends (%)**

	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Asian Paints	24.9	26.2	27.1	26.3	24.3	26.1	27.1	26.4	26.4	25.6	25.8	25.7	21.8	26.6	23.9	26.5	27.2	26.6
Berger Paints	26.3	26.1	26.5	24.9	26.2	26.1	25.3	25.5	25.7	25.7	25.1	24.6	27.3	24.5	25.3	25.4	25.5	24.0
Britannia	26.9	27.2	27.0	26.9	27.2	27.5	25.6	28.1	26.9	26.9	26.5	26.6	26.8	24.9	25.5	25.1	25.5	25.6
Campus Activewear	80.1	(149.5)	70.0	26.9	30.9	25.7	25.7	25.7	23.3	25.8	13.5	25.6	25.2	25.6	27.0	25.8	26.4	26.9
Cello World	-	-	-	-	-	-	-	-	-	27.9	26.4	25.3	20.6	25.8	25.7	25.6	26.0	25.0
Colgate	17.5	25.8	25.4	26.0	17.7	24.9	25.7	25.6	25.7	24.5	25.7	25.6	25.7	25.6	25.5	25.4	25.7	25.8
Dabur	16.4	22.8	23.6	22.4	20.0	21.8	23.1	25.0	26.0	23.0	22.2	23.4	24.6	23.0	23.5	21.6	24.1	23.3
Devyani International	(0.1)	0.2	1.2	1.4	(74.1)	3.1	2.7	(8.5)	(45.2)	24.1	(50.9)	47.6	249.9	21.2	(113.1)	286.8	26.8	25.2
Godrej Consumer Products	12.0	23.4	20.9	15.9	5.1	23.9	20.6	17.7	17.9	28.7	29.5	25.6	30.2	29.1	30.2	26.7	33.9	25.5
Hindustan Unilever	25.1	26.2	26.0	25.8	25.6	26.1	26.1	25.8	26.1	26.5	26.6	26.6	25.8	26.1	26.5	26.8	26.1	26.1
Honasa Consumer	-	-	-	-	-	17.9	34.4	33.1	(15.3)	27.2	24.9	25.4	22.4	23.2	23.8	11.5	22.4	25.5
Indigo Paints	33.0	25.5	26.6	26.0	27.1	26.0	26.4	25.7	25.6	25.6	24.3	25.0	25.1	25.3	27.2	20.4	27.0	25.0
ITC	22.8	25.0	24.2	24.3	23.0	24.7	24.8	24.7	23.1	25.1	24.4	17.1	23.1	24.9	24.8	25.2	24.0	24.9
Jubilant Foodworks	24.0	23.2	24.9	25.0	24.3	22.3	26.4	25.8	27.4	25.8	25.1	25.6	26.0	24.6	25.4	16.5	26.9	24.5
Jyothy Labs	16.8	20.1	19.4	19.7	17.4	15.8	15.8	20.0	27.7	20.6	23.0	21.1	27.1	23.2	22.6	23.2	27.6	24.1
Kansai Nerolac	25.4	25.2	24.5	25.7	17.7	25.4	25.4	26.4	23.1	25.1	26.2	26.0	25.7	25.5	32.2	21.0	24.6	25.6
Marico	19.8	21.8	22.0	22.1	20.2	24.4	23.3	24.8	23.9	23.1	24.4	22.0	19.8	21.7	21.6	21.6	21.8	21.8
Metro brands	22.7	2.7	19.4	24.3	26.6	24.7	24.6	25.9	28.2	27.5	29.1	27.9	(49.0)	25.1	23.9	40.7	24.5	24.6
Nestle	25.8	26.3	26.0	23.8	26.2	26.4	26.3	26.9	25.6	25.7	25.7	26.0	25.3	26.0	24.8	24.5	26.5	26.8
Pidlite	25.3	25.1	23.6	26.4	26.9	24.6	23.2	26.6	27.1	26.4	26.2	25.7	28.5	25.7	25.4	25.9	25.8	26.0
Restaurant Brands Asia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sapphire Foods	(3.0)	(3.0)	(24.4)	2.9	7.3	(7.1)	0.3	2.6	(1,003.2)	26.0	28.9	30.0	(142.9)	30.8	2.2	24.3	(31.7)	5.7
Sula Vineyards	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IGI Limited	-	-	24.9	27.0	26.2	26.1	25.3	29.1	28.2	25.4	24.7	27.6	24.9	19.9	24.6	3.9	24.2	25.0
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25.5	26.5	27.7
Tata Consumer Products	24.7	28.1	23.7	24.9	23.6	25.5	34.2	28.0	22.9	26.5	26.1	20.7	5.1	28.8	8.9	25.0	25.3	25.6
Titan	24.6	25.6	26.2	25.1	24.3	25.6	25.8	24.9	25.0	24.1	25.5	22.7	19.5	24.6	24.6	25.0	27.9	25.4
United Breweries	23.0	27.4	26.5	26.4	25.1	25.5	25.6	18.2	26.3	24.5	25.5	26.7	25.7	25.5	25.7	26.2	26.0	25.8
United Spirits	24.6	(2.3)	25.2	25.8	17.0	(14.4)	25.0	13.7	19.6	25.1	25.6	24.0	10.2	25.8	25.1	26.1	22.9	25.1
Varun Beverages	29.8	24.0	26.4	22.1	25.0	24.5	22.6	9.0	23.5	23.3	22.9	23.5	23.4	24.1	21.4	23.0	25.2	24.5
Westlife Foodworld	(42.0)	25.2	24.7	25.3	25.4	25.7	24.8	24.2	27.5	29.0	25.9	25.3	60.9	27.9	49.2	(8.1)	(13.9)	26.1
Total	23.6	25.2	25.0	24.5	23.1	24.6	25.2	24.8	23.7	25.4	25.3	22.7	23.2	25.4	24.8	25.5	25.6	25.3
Staples	22.8	25.5	24.9	24.1	23.2	25.4	25.6	25.4	25.2	25.9	26.1	25.4	24.5	25.7	25.0	25.3	26.3	25.4
Discretionary	24.2	25.0	25.0	24.7	23.0	24.0	24.9	24.4	22.7	25.1	24.7	20.9	22.3	25.2	24.7	25.5	25.0	25.2

**Exhibit 32: KIE consumer universe company-wise employee expense trends (% of sales)**

	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Asian Paints	6.2	7.7	6.2	5.3	5.8	5.7	6.1	5.8	5.9	5.9	7.0	6.3	7.0	7.5	8.4	7.2	7.6	7.9
Berger Paints	6.3	7.3	6.4	5.3	6.1	5.3	6.0	5.5	6.3	5.5	6.9	6.3	6.9	6.2	8.0	6.7	7.5	6.8
Britannia	4.0	4.1	4.3	3.6	3.4	4.0	3.7	4.2	4.2	4.7	3.6	4.7	4.0	4.8	5.0	2.3	3.7	5.2
Campus Activewear	5.2	10.9	6.2	3.8	5.7	6.4	6.6	4.9	4.0	6.7	9.3	5.6	7.5	8.5	8.8	5.9	7.5	9.4
Cello World						-	-	-	-	9.5	9.7	9.3	9.4	10.4	10.7	9.2	9.4	11.4
Colgate	7.1	8.1	7.7	7.9	6.5	7.8	6.8	7.7	6.7	7.2	7.2	7.9	6.7	7.5	7.3	7.4	7.3	8.2
Dabur	11.5	9.9	9.6	9.3	11.1	9.6	9.6	9.6	10.8	9.5	9.8	9.5	11.2	9.6	11.2	10.0	10.4	9.9
Devyani International	11.4	15.2	11.5	11.7	10.5	10.9	11.8	10.9	12.5	13.2	13.5	14.0	14.8	13.8	15.0	14.5	14.1	14.8
Godrej Consumer Products	11.3	10.0	8.1	8.6	9.4	8.3	7.6	8.1	9.4	9.1	9.3	7.5	9.6	8.4	8.5	7.9	7.3	8.4
Hindustan Unilever	4.3	5.2	4.6	5.0	4.0	4.2	4.8	4.4	4.6	4.3	4.6	4.3	5.2	3.9	4.9	4.4	5.2	4.1
Honasa Consumer						12.4	9.5	11.8	10.8	9.6	7.5	9.0	9.5	8.9	11.1	10.0	8.9	10.1
Indigo Paints	5.4	8.7	7.1	5.5	5.0	7.4	7.2	7.2	5.8	8.4	9.1	7.4	6.1	9.7	9.9	8.2	6.6	10.0
ITC	5.5	6.0	5.9	4.8	5.2	5.0	5.8	5.4	5.5	5.7	5.5	5.8	5.8	5.9	5.0	5.1	5.0	4.6
Jubilant Foodworks	19.5	18.8	17.4	16.4	17.2	16.5	17.5	18.4	17.4	18.9	18.9	18.7	17.8	17.8	18.3	17.4	17.2	16.7
Jyothy Labs	11.1	12.1	10.5	11.5	11.0	10.7	10.6	10.8	10.5	11.1	10.5	11.1	11.0	11.6	11.0	11.5	11.7	11.6
Kansai Nerolac	5.0	5.5	4.6	4.5	5.1	4.0	4.6	4.8	5.6	4.6	5.2	5.8	6.3	5.5	6.0	5.8	6.7	5.8
Marico	7.5	5.9	6.3	6.0	6.4	6.1	6.7	6.5	7.6	7.3	7.6	7.8	8.2	7.7	8.0	7.4	7.6	6.8
Metro brands	9.6	17.9	9.0	6.9	8.7	7.8	9.0	8.3	9.6	9.1	9.9	9.5	10.1	10.3	10.2	9.0	9.7	10.0
Nestle	10.2	10.9	10.0	10.3	10.0	10.1	9.1	9.6	9.4	9.8	10.3	9.1	9.2	10.5	9.8	10.3	9.5	10.1
Pidlite	11.8	14.5	10.4	9.8	11.1	10.2	10.1	10.3	11.8	10.9	11.8	11.9	12.9	12.3	13.5	12.9	14.5	12.4
Restaurant Brands Asia	17.0	20.7	15.4	15.2	15.9	15.2	16.3	16.3	15.5	14.7	14.8	14.9	15.8	15.0	15.3	15.1	15.3	15.4
Sapphire Foods	18.2	18.5	19.8	13.5	13.7	12.5	13.3	12.3	13.7	13.0	13.6	13.1	13.6	13.2	13.7	13.0	13.7	13.2
Sula Vineyards				10.0	16.9	19.9	15.6	10.5	17.9	19.6	16.1	11.1	17.2	19.7	18.0	12.6	16.6	21.3
IGI Limited																25.1	21.0	23.7
Tata Consumer Products	9.0	8.9	8.5	8.1	8.5	8.4	8.2	8.2	8.1	7.9	8.2	8.4	8.8	7.9	8.6	8.5	7.5	8.1
Titan	3.5	8.2	3.8	2.9	4.5	3.6	3.7	3.1	3.8	3.3	3.2	2.9	3.3	3.5	3.1	2.8	3.3	3.2
United Breweries	8.6	10.1	9.4	9.3	7.3	6.1	8.3	9.0	9.0	6.5	8.7	8.6	8.2	7.4	8.2	8.4	8.2	6.9
United Spirits	5.6	11.6	6.8	5.0	5.6	7.7	5.2	5.8	4.9	5.8	5.0	4.7	5.0	5.7	5.7	5.0	4.7	5.3
Varun Beverages	10.6	9.9	11.1	15.0	9.7	6.3	9.8	14.4	8.7	6.5	9.6	13.9	9.1	6.9	10.7	13.0	9.2	7.8
Westlife Foodworld	15.6	15.7	13.2	11.8	13.6	11.2	13.0	13.7	16.6	13.0	13.5	13.7	14.8	14.0	14.7	14.6	14.5	14.3
<b>Total</b>	<b>6.8</b>	<b>7.9</b>	<b>6.8</b>	<b>6.2</b>	<b>6.5</b>	<b>6.1</b>	<b>6.5</b>	<b>6.4</b>	<b>6.6</b>	<b>6.5</b>	<b>6.8</b>	<b>6.7</b>	<b>7.1</b>	<b>6.9</b>	<b>7.1</b>	<b>6.7</b>	<b>6.9</b>	<b>6.7</b>
<b>Staples</b>	<b>7.0</b>	<b>7.2</b>	<b>6.6</b>	<b>6.7</b>	<b>6.4</b>	<b>6.4</b>	<b>6.5</b>	<b>6.5</b>	<b>6.8</b>	<b>6.7</b>	<b>6.8</b>	<b>6.5</b>	<b>7.2</b>	<b>6.6</b>	<b>7.1</b>	<b>6.6</b>	<b>6.8</b>	<b>6.7</b>
<b>Discretionary</b>	<b>6.7</b>	<b>8.5</b>	<b>7.0</b>	<b>5.9</b>	<b>6.6</b>	<b>5.9</b>	<b>6.6</b>	<b>6.4</b>	<b>6.6</b>	<b>6.4</b>	<b>6.8</b>	<b>6.8</b>	<b>7.1</b>	<b>7.0</b>	<b>7.2</b>	<b>6.8</b>	<b>7.0</b>	<b>6.7</b>

Source: Company, Kotak Institutional Equities

**Exhibit 33: KIE consumer universe other expenses trends (% of sales)**

	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Asian Paints	17.2	14.3	15.8	13.3	14.6	13.9	15.2	14.1	15.3	13.9	16.1	14.8	17.3	16.1	16.9	16.1	19.2	16.6
Berger Paints	20.9	18.0	16.0	16.0	16.9	15.8	15.7	16.2	18.4	15.9	17.1	18.1	19.8	16.8	18.1	19.0	19.4	18.1
Britannia	20.4	18.3	17.8	19.2	19.1	19.4	19.0	19.9	20.8	20.1	19.6	19.9	21.6	20.9	19.8	18.0	18.2	18.7
Campus Activewear	20.0	33.4	24.1	24.0	20.5	25.0	28.2	24.0	31.1	27.9	35.6	33.7	24.9	29.3	32.1	28.9	26.6	30.9
Cello World										17.8	19.1	17.1	17.6	17.6	16.7	17.7	19.6	21.9
Colgate	16.1	16.8	15.8	17.2	16.0	17.7	16.1	17.1	16.2	15.9	14.8	16.1	15.6	15.9	15.5	17.7	16.9	16.0
Dabur	11.7	9.9	10.1	9.7	12.4	11.5	10.5	10.0	14.1	11.3	11.1	11.0	14.3	11.5	12.5	11.0	15.0	11.6
Devyani International	33.1	39.9	34.7	36.0	37.1	36.8	36.1	36.5	37.1	37.2	38.4	39.3	38.0	37.1	38.1	37.9	39.0	38.3
Godrej Consumer Products	17.4	16.3	14.8	15.0	17.7	15.2	15.9	15.2	16.5	16.7	15.9	16.0	15.2	15.8	16.5	16.6	15.5	15.9
Hindustan Unilever	12.2	12.8	12.9	13.0	11.8	11.1	11.1	11.9	12.2	12.6	12.7	13.4	12.9	13.3	13.1	13.5	13.0	13.0
Honasa Consumer						22.8	18.3	21.5	25.7	20.3	18.8	18.5	19.5	18.3	24.7	20.7	22.2	18.8
Indigo Paints	24.4	23.9	22.7	22.8	20.0	22.0	20.6	22.2	19.0	21.9	21.3	23.1	20.8	21.7	19.9	21.7	17.7	21.5
ITC	15.1	14.0	15.1	14.3	14.3	13.3	14.8	15.1	15.2	14.3	15.3	16.1	16.9	14.8	15.2	15.2	15.0	12.7
Jubilant Foodworks	30.9	32.1	32.9	33.0	32.7	33.4	32.3	33.1	36.4	34.4	35.0	35.5	37.9	37.2	36.6	36.6	35.3	35.6
Jyothy Labs	12.4	11.0	11.3	11.7	12.8	11.6	11.4	11.7	13.0	12.4	12.4	12.2	13.0	13.4	12.0	12.9	12.7	12.1
Kansai Nerolac	14.2	14.5	13.5	15.0	15.3	12.8	13.2	14.4	16.4	14.6	15.8	17.2	17.7	15.2	16.4	16.1	17.7	15.4
Marico	12.2	9.1	10.6	10.6	12.6	10.5	11.1	11.1	12.9	10.9	12.0	12.1	14.1	11.8	12.3	12.5	13.0	10.9
Metro brands	18.6	26.7	18.7	17.5	16.4	15.9	17.5	16.7	19.9	17.9	18.9	19.1	19.1	17.9	18.4	17.6	17.0	18.4
Nestle	22.6	22.1	21.2	23.9	22.0	22.8	21.5	22.4	21.4	22.3	21.8	25.3	22.1	24.2	23.9	23.0	21.4	23.4
Pidlite	18.4	16.7	14.1	14.5	16.4	14.4	14.3	15.0	17.9	16.6	17.4	17.2	20.7	17.6	17.1	17.7	20.4	16.7
Restaurant Brands Asia	36.1	43.5	39.6	39.2	38.9	41.3	38.7	37.1	39.3	40.3	38.1	36.3	39.4	39.9	37.9	37.1	37.3	40.0
Sapphire Foods	35.9	40.6	36.2	33.1	35.0	35.1	34.8	35.2	36.7	37.0	37.2	37.4	39.0	38.1	39.0	37.8	39.5	39.7
Sula Vineyards				24.5	36.6	30.6	29.7	24.1	34.0	31.3	28.9	25.3	38.7	32.9	35.5	28.4	43.5	36.0
IGI Limited																17.0	14.7	19.0
Tata Consumer Products	13.4	13.5	13.8	13.7	15.2	14.2	14.3	13.8	14.3	13.4	13.1	13.4	16.2	14.8	12.8	12.7	15.5	13.0
Titan	5.6	7.4	5.7	5.2	7.0	5.9	6.7	5.8	6.3	5.9	5.8	5.8	6.4	5.8	5.8	5.3	5.9	5.1
United Breweries	26.4	29.7	30.7	29.7	26.1	27.3	25.3	28.1	26.6	24.3	26.0	27.4	26.9	24.1	24.9	27.7	25.9	24.8
United Spirits	15.3	17.4	12.7	11.8	13.3	14.2	13.4	11.6	13.1	13.4	13.6	11.3	12.5	11.9	12.6	11.5	11.9	13.0
Varun Beverages	28.1	20.3	21.1	28.4	23.0	19.0	21.9	28.0	23.2	19.1	22.9	27.0	24.3	20.1	20.9	27.4	22.7	18.2
Westlife Foodworld	37.9	48.8	40.0	38.0	37.6	36.9	35.8	36.5	39.4	40.6	40.6	41.3	42.0	44.0	42.7	42.0	42.8	44.4
<b>Total</b>	<b>15.9</b>	<b>15.5</b>	<b>15.1</b>	<b>14.8</b>	<b>15.4</b>	<b>14.6</b>	<b>15.0</b>	<b>14.9</b>	<b>15.9</b>	<b>15.2</b>	<b>15.6</b>	<b>15.9</b>	<b>16.9</b>	<b>16.0</b>	<b>15.9</b>	<b>15.7</b>	<b>16.4</b>	<b>15.2</b>
<b>Staples</b>	<b>15.0</b>	<b>14.4</b>	<b>14.3</b>	<b>14.8</b>	<b>14.9</b>	<b>14.2</b>	<b>14.2</b>	<b>14.5</b>	<b>15.3</b>	<b>14.9</b>	<b>14.9</b>	<b>15.6</b>	<b>15.9</b>	<b>15.7</b>	<b>15.6</b>	<b>15.2</b>	<b>15.5</b>	<b>15.0</b>
<b>Discretionary</b>	<b>16.5</b>	<b>16.5</b>	<b>15.7</b>	<b>14.8</b>	<b>15.8</b>	<b>14.9</b>	<b>15.5</b>	<b>15.2</b>	<b>16.3</b>	<b>15.3</b>	<b>16.2</b>	<b>16.1</b>	<b>17.6</b>	<b>16.3</b>	<b>16.2</b>	<b>16.0</b>	<b>16.9</b>	<b>15.3</b>

Source: Company, Kotak Institutional Equities

**Exhibit 34: Movements in inputs/commodities as of July-25**

No	Commodity	Unit	Current	MoM	YoY	3M	6M	% chg - local currency				% chg - currency Adj.				Companies impacted
								MoM	3M	6M	YoY	MoM	3M	6M	YoY	
Agri Commodities																
1	Tea - India Avg.	Rs/Kg	204	207	217	193	154	(2)	6	33	(6)	(2)	6	33	(6)	HUL
2	Tea - World Avg.	USD/MT	3,020	3,020	3,300	2,910	2,780	—	4	9	(8)	0	4	9	(6)	HUL
3	Tea - Mombassa/Kenya	USD/Kg	3	3	3	3	3	—	—	—	—	0	0	0	3	HUL
4	Coffee Arabica - Intl.	US cents/Pound	370	370	262	399	361	-	(7)	2	41	0	(7)	3	45	HUL, Nestle
5	Coffee Robusta - Intl.	US cents/Pound	213	213	234	267	267	-	(20)	(20)	(9)	0	(20)	(20)	(6)	HUL, Nestle
6	Sugar - domestic	Rs/Quintal	4,499	4,493	4,332	4,639	4,444	0	(3)	1	4	0	(3)	1	4	HUL, Nestle, ITC, Dabur, Britannia
7	Wheat	Rs/Quintal	3,879	3,875	3,550	3,785	3,941	0	2	(2)	9	0	2	(2)	9	ITC, Nestle, Britannia
8	Barley	Rs/Quintal	2,244	2,241	2,134	2,264	2,426	0	(1)	(7)	5	0	(1)	(7)	5	UBBL
9	Maize (corn)	USD/MT	192	192	192	192	192	—	—	—	—	0	0	0	3	Colgate, HUL, Dabur (Sorbitol)
10	Liquid Milk - domestic	Rs/Ltr	57	59	55	56	53	(3)	2	8	4	(3)	2	8	4	Nestle, Jubilant Foodworks, Britannia
11	Milk Powder - domestic	Rs/Kg	336	338	296	315	300	(1)	7	12	14	(1)	7	12	14	Nestle, Britannia
12	Rice	USD/MT	3,425	3,415	3,725	3,322	3,311	0	3	3	(8)	0	3	3	(8)	
Oil Commodities																
13	Crude Oil - Brent	USD/Barrel	71	71	85	68	79	(1)	5	(10)	(17)	(1)	5	(10)	(14)	HUL, GCPL, Jyothy Labs, Asian Paints, Pidilite
14	Palm oil	Rs/MT	109,709	106,730	86,026	124,309	127,078	3	(12)	(14)	28	3	(12)	(14)	28	HUL, GCPL, Jyothy Labs
15	PFAD	USD/MT	913	884	836	1,001	992	3	(9)	(8)	9	3	(9)	(8)	12	HUL, GCPL, Jyothy Labs
17	Copra	Rs/Quintal	25,643	22,887	10,174	17,853	15,213	12	44	69	152	12	44	69	152	Marico, Dabur
18	Coconut oil	Rs/Quintal	39,580	35,197	14,808	27,883	22,819	12	42	73	167	12	42	73	167	Marico, Dabur
19	Rice Bran oil	Rs/10Kg	1,090	1,025	820	1,045	980	6	4	11	33	6	4	11	33	Marico
21	Sunflower oil	Rs/MT	127,165	125,525	91,804	133,955	127,804	1	(5)	(0)	39	1	(5)	(0)	39	Marico
22	Groundnut oil	Rs/MT	139,435	136,125	154,152	133,045	140,826	2	5	(1)	(10)	2	5	(1)	(10)	Marico
23	Linseed oil	Rs/MT	137,174	134,295	100,609	128,591	125,500	2	7	9	36	2	7	9	36	Marico, Dabur, Bajaj Corp, Asian Paints
24	Castor oil	Rs/MT	145,435	143,075	123,522	131,727	132,000	2	10	10	18	2	10	10	18	Marico, Dabur, Bajaj Corp, Asian Paints
25	Mentha oil	Rs/Kg	992	993	997	1,015	1,024	(0)	(2)	(3)	(1)	(0)	(2)	(3)	(1)	Emami, Colgate, HUL, Dabur
Chemicals/Paints/Other Commodities																
26	Caustic soda	Rs/ 50Kg	2,486	2,522	2,173	2,560	2,523	(1)	(3)	(1)	14	(1)	(3)	(1)	14	HUL, GCPL, Jyothy Labs
27	Soda ash	Rs/ 50Kg	1,628	1,645	1,725	1,652	1,661	(1)	(1)	(2)	(6)	(1)	(1)	(2)	(6)	HUL, GCPL, Jyothy Labs
31	Tio2 Anatase	Rs/Kg	211	231	175	198	210	(8)	7	1	21	(8)	7	1	21	Asian Paints
32	Tio2 Rutile	Rs/Kg	280	283	280	278	275	(1)	1	2	—	(1)	1	2	—	Asian Paints
34	Turpentine oil	Rs/Ltr	136	135	115	131	131	1	4	4	18	1	4	4	18	Asian Paints
35	Formaldehyde	Rs/Kg	30	29	30	33	35	3	(9)	(14)	—	3	(9)	(14)	—	Asian Paints
36	Acrylic acid	Rs/Kg	94	94	101	94	95	0	1	(1)	(7)	0	1	(1)	(7)	Asian Paints
37	Vinyl Acetate - Domestic	Rs/Kg	74	71	119	87	83	4	(15)	(11)	(38)	4	(15)	(11)	(38)	Asian Paints
38	Vinyl Acetate - China	USS/MT	799	756	805	756	823	6	6	(3)	(1)	6	6	(3)	2	Pidilite, Asian Paints
39	Styrene - domestic	Rs/Kg	80	79	95	78	90	2	3	(11)	(15)	2	3	(11)	(15)	Asian Paints
40	Gold	Rs/10gm	97,560	97,155	71,380	92,838	78,635	0	5	24	37	0	5	24	37	Titan, Jewellery companies

<b>Currencies</b>																
42	USD	USDRs	85.73	85.59	83.37	85.54	85.60	0	0	(0)	3					
43	Euro	EURRs	100.56	97.16	89.18	92.09	89.13	3	9	9	13					
44	GBP	GBPRs	117.71	115.09	105.43	110.72	107.13	2	6	7	12					
45	Egypt	EGPRs	1.73	1.72	1.74	1.69	1.68	0	2	2	(0)					
46	Turkey	TRYRs	2.15	2.18	2.54	2.24	2.42	(1)	(4)	(10)	(15)					
47	S Africa	ZARRs	4.84	4.75	4.58	4.63	4.55	2	5	5	6					
48	Middle East	AEDRs	23.35	23.30	22.70	23.27	23.31	0	0	(0)	3					
49	Indonesia	IDRRs	0.53	0.52	0.51	0.52	0.53	1	2	(1)	4					
50	Malaysia	MYRRs	20.37	20.11	17.68	19.28	19.15	1	6	5	15					
51	China	CNYRs	11.97	11.89	11.48	11.77	11.72	1	2	1	4					
52	Argentina	ARSRs	0.07	0.07	0.09	0.08	0.08	(0)	(10)	(13)	(21)					
53	Uruguay	UYURs	2.16	2.06	2.10	2.03	1.96	5	6	5	3					
54	Chile	CLPRs	0.91	0.91	0.88	0.91	0.86	1	0	5	3					
55	Sri Lanka	LKRRs	0.29	0.29	0.27	0.29	0.29	0	(1)	(2)	5					
56	Bangladesh	BDTRs	0.70	0.70	0.71	0.70	0.72	(0)	(0)	(2)	(1)					
57	Nepal	NPRRs	0.63	0.63	0.63	0.63	0.63	(0)	—	0	—					

Inflationary = +3%

Deflationary = -3%

Source: Company, Kotak Institutional Equities

**Exhibit 35: KIE consumer universe valuation summary**

		FV	18-Aug-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	2,325	2,529	(8)	2,426	29,761	43.9	50.2	57.1	4.6	14.1	13.8	57.5	50.4	44.3	10.7	6.6	
Berger	SELL	530	533	(1)	622	7,629	10.4	11.8	13.8	2.5	14.1	16.4	51.4	45.1	38.7	10.8	7.4	
Britannia Industries	ADD	5,700	5,303	7	1,277	15,673	101.9	113.8	128.8	11.4	11.7	13.2	52.0	46.6	41.2	12.1	9.2	
Restaurant Brands Asia (Standalone)	REDUCE	80	79	2	39	478	(1.3)	(1.2)	(0.7)	(14.6)	(8.8)	(42.6)	NA	NA	NA	(23.5)	14.7	
Campus Activewear	ADD	300	253	18	77	949	4.9	6.0	7.2	23.9	22.5	19.4	51.5	42.1	35.2	21.9	12.0	
Cello World	BUY	700	530	32	113	1,381	15.7	18.0	20.0	2.2	14.6	11.3	33.8	29.5	26.5	9.2	10.2	
Colgate	REDUCE	2,360	2,154	10	586	7,189	51.9	56.6	61.3	(1.8)	9.1	8.3	41.5	38.0	35.1	5.1	5.3	
Dabur	REDUCE	510	501	2	888	10,891	10.9	12.2	13.9	9.7	11.5	14.0	45.8	41.0	36.0	11.7	8.6	
Devyani International	BUY	177	155	14	187	2,292	(0.2)	0.2	0.5	NA	NA	148.7	NA	NA	NA	54.4	11.8	
GCPL	ADD	1,260	1,185	6	1,212	14,870	21.5	25.0	27.7	14.7	16.2	11.1	55.2	47.5	42.7	14.0	8.3	
HUL	ADD	2,525	2,481	2	5,829	71,527	44.7	49.9	55.1	2.7	11.8	10.5	55.6	49.7	45.0	8.2	7.7	
Honasa Consumer	ADD	300	280	7	90	1,103	4.3	5.8	7.4	90.3	36.8	27.4	65.7	48.0	37.7	49.1	11.6	
ITC	ADD	470	411	14	5,114	62,742	16.5	17.8	19.2	5.5	7.8	7.8	24.9	23.1	21.5	7.0	7.9	
Jubilant Foodworks	ADD	705	632	12	417	5,116	5.0	6.8	8.4	50.1	36.9	24.0	127.0	92.8	74.8	36.6	13.6	
Jyothy labs	REDUCE	340	331	3	122	1,492	10.3	10.9	11.9	1.3	5.8	8.8	32.0	30.3	27.8	5.2	6.9	
Kansai Nerolac	REDUCE	260	235	10	190	2,335	9.1	10.1	11.2	9.3	10.5	11.1	25.8	23.3	21.0	10.3	5.8	
Marico	REDUCE	710	711	(0)	917	11,247	13.5	15.5	17.2	7.3	14.4	11.2	52.5	45.8	41.2	10.9	10.7	
Metro Brands	SELL	1,050	1,101	(5)	299	3,673	15.7	18.9	22.5	21.4	19.8	19.3	70.0	58.4	49.0	20.2	15.5	
Nestle	REDUCE	1,112	1,089	2	2,101	25,777	16.4	18.9	21.6	4.4	15.4	14.2	66.6	57.7	50.5	11.2	9.0	
Pidlite Industries	ADD	3,250	3,085	5	1,569	19,254	47.0	53.0	59.5	13.8	12.8	12.1	65.6	58.2	51.9	12.9	10.2	
Sapphire Foods	ADD	360	306	18	98	1,197	(0.1)	1.1	2.2	(114.7)	(822.6)	102.3	NA	NA	142.3	29.1	12.0	
Tata Consumer Products	ADD	1,150	1,051	9	1,002	12,290	16.1	20.3	23.9	24.3	25.6	17.9	65.2	51.9	44.0	22.6	9.5	
Titan	REDUCE	3,575	3,489	2	3,098	38,010	51.6	60.1	70.0	21.9	16.4	16.6	67.6	58.1	49.8	18.3	13.8	
United Breweries	SELL	1,650	1,927	(14)	510	6,252	22.6	30.2	37.1	24.2	33.9	22.9	85.4	63.8	51.9	26.9	11.7	
United Spirits	ADD	1,430	1,319	8	959	11,763	21.1	24.2	27.3	8.1	14.9	13.0	62.6	54.5	48.2	12.0	8.5	
Varun Beverages	ADD	570	502	14	1,630	20,000	9.1	10.5	12.1	18.8	15.1	15.6	55.1	47.8	41.4	16.5	12.3	
Westlife Foodworld	REDUCE	700	661	6	103	1,262	2.1	4.9	7.6	172.3	128.7	57.1	NA	NA	86.6	113.9	12.2	
Indigo Paints	REDUCE	1,050	1,107	(5)	53	646	27.5	31.1	35.2	(7.8)	13.2	13.0	40.3	35.6	31.5	5.7	6.7	
Sula Vineyards	ADD	280	250	12	21	258	7.1	8.5	10.1	(15.4)	20.5	18.5	35.4	29.4	24.8	6.5	8.3	
IGI Limited	REDUCE	400	340	18	135	1,657	12.1	13.6	15.1	17.4	12.8	10.7	28.1	24.9	22.5	13.6	13.1	
<b>KIE universe</b>					<b>31,680</b>	<b>388,714</b>				<b>6.2</b>	<b>10.7</b>	<b>9.9</b>	<b>47.7</b>	<b>42.3</b>	<b>37.8</b>	<b>10.9</b>	<b>9.5</b>	
<b>KIE universe (ex-ITC)</b>					<b>26,567</b>	<b>325,972</b>				<b>9.5</b>	<b>7.8</b>	<b>7.8</b>	<b>58.1</b>	<b>50.6</b>	<b>44.5</b>	<b>12.6</b>	<b>9.8</b>	
		Price performance (%)					EV/EBITDA (x)			EV/Sales (x)			FCF yield (%)			Dividend yield (%)		
		1-mo	3-mo	6-mo	1-yr		2026E	2027E	2028E	2026E	2027E	2028E	2026E	2027E	2028E	2026E	2027E	
Asian Paints		5	11	13	(16)		38.0	35.3	31.8	6.8	6.4	5.9	1.1	1.7	1.8	1.0	1.1	
Berger		(4)	(4)	12	(3)		31.9	29.2	25.9	5.0	4.7	4.4	2.4	2.2	2.5	0.7	0.8	
Britannia Industries		(8)	(3)	7	(6)		36.0	32.9	29.3	6.5	6.0	5.5	1.9	1.9	2.2	1.7	2.0	
Restaurant Brands Asia (Standalone)		(4)	(3)	12	(26)		10.3	9.0	7.6	1.6	1.5	1.3	(1.1)	(1.8)	0.4	0.0	0.0	
Campus Activewear		(12)	(0)	(6)	(11)		27.0	23.2	20.2	4.4	3.9	3.5	1.5	1.6	1.9	0.5	0.6	
Cello World		(15)	(10)	(13)	(40)		21.3	20.1	17.9	4.5	4.4	3.9	2.5	2.7	2.3	1.3	1.6	
Colgate		(9)	(17)	(13)	(38)		28.8	27.2	25.3	9.3	8.9	8.3	2.6	2.8	2.9	2.4	2.6	
Dabur		(5)	7	(4)	(17)		33.9	31.6	28.2	6.4	6.0	5.5	2.3	2.2	2.3	1.3	1.5	
Devyani International		(8)	(11)	(2)	(9)		21.7	17.9	15.9	3.5	3.0	2.7	1.2	1.6	1.8	0.8	0.2	
GCPL		(6)	(8)	12	(14)		37.6	33.0	30.4	7.7	7.2	6.7	1.8	1.9	2.2	0.9	1.1	
HUL		(1)	6	7	(9)		38.8	35.6	32.4	8.8	8.2	7.6	1.7	2.0	2.0	1.6	1.8	
Honasa Consumer		(3)	9	26	(41)		51.4	39.2	30.4	3.6	3.5	3.1	1.5	2.0	2.3	0.0	0.0	
ITC		(2)	(4)	0	(12)		18.6	18.4	17.0	6.3	6.3	5.9	3.8	3.8	4.2	3.5	3.8	
Jubilant Foodworks		(7)	(9)	(6)	(1)		29.5	24.8	21.7	5.9	5.2	4.7	0.5	(0.1)	0.5	0.6	0.8	
Jyothy labs		(7)	(3)	(8)	(39)		22.9	23.2	21.3	3.9	3.8	3.5	2.5	2.8	2.6	1.7	1.8	
Kansai Nerolac		(4)	(9)	2	(19)		15.9	17.0	15.4	2.1	2.3	2.1	2.0	2.9	2.8	1.6	2.0	
Marico		(2)	(2)	12	9		38.6	33.9	30.2	6.8	6.8	6.2	1.7	1.8	2.1	1.5	1.6	
Metro Brands		(7)	(4)	(2)	(14)		33.8	29.5	25.1	10.3	9.1	7.7	0.9	1.1	1.4	0.6	0.7	
Nestle		(9)	(8)	(1)	(12)		42.1	37.5	33.5	9.7	8.9	8.1	0.6	1.7	2.0	1.8	2.2	
Pidlite Industries		4	(0)	10	2		44.9	41.6	37.6	10.5	9.8	8.9	1.2	1.4	1.6	0.8	1.0	
Sapphire Foods		(7)	0	2	(0)		19.4	16.3	14.0	3.0	2.7	2.4	1.2	1.4	1.2	0.3	0.6	
Tata Consumer Products		(2)	(6)	3	(10)		34.9	30.4	26.6	5.1	4.8	4.3	2.1	2.4	2.7	0.9	1.1	
Titan		2	(3)	9	3		42.0	35.8	31.0	4.6	4.0	3.5	0.4	0.7	0.7	0.4	0.5	
United Breweries		(1)	(7)	(6)	2		49.1	37.2	31.0	5.0	4.5	4.1	0.6	1.0	1.1	0.8	1.2	
United Spirits		(3)	(14)	(3)	(6)		42.1	38.2	34.3	7.5	7.1	6.5	1.5	1.5	1.4	0.6	0.8	
Varun Beverages		9	(2)	3	(14)		30.9	27.6	24.7	7.3	6.4	5.8	0.6	1.2	1.5	0.2	0.3	
Westlife Foodworld		(16)	(5)	(9)	(17)		26.8	21.2	17.6	3.8	3.3	2.9	(0.2)	0.3	0.3	0.0	0.0	
Indigo Paints		(8)	12	2	(23)		21.9	21.5	19.5	3.5	3.5	3.2	1.5	2.0	2.3	0.4	0.6	
Sula Vineyards		(16)	(15)	(20)	(47)		16.5	12.9	11.4	3.9	3.1	2.9	2.7	3.1	3.5	0.9	1.3	
IGI Limited		(13)	(11)	(25)	-		18.1	16.9	15.2	10.7	9.9	8.9	3.7	4.0	4.4	1.7	2.0	
<b>KIE FMCG universe</b>					<b>(1)</b>	<b>(1)</b>	<b>5</b>	<b>(9)</b>		<b>31.9</b>	<b>29.1</b>	<b>26.3</b>	<b>6.6</b>	<b>6.2</b>	<b>5.6</b>	<b>1.7</b>	<b>2.0</b>	<b>2.2</b>
<b>KIE universe (ex-ITC)</b>					<b>(1)</b>	<b>(1)</b>	<b>6</b>	<b>(9)</b>		<b>36.6</b>	<b>32.8</b>	<b>29.3</b>	<b>6.7</b>	<b>6.1</b>	<b>5.6</b>	<b>1.1</b>	<b>1.4</b>	<b>1.5</b>
<b>Sensex</b>					<b>(2)</b>	<b>(1)</b>	<b>6</b>	<b>2</b>										

Source: Company, 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.

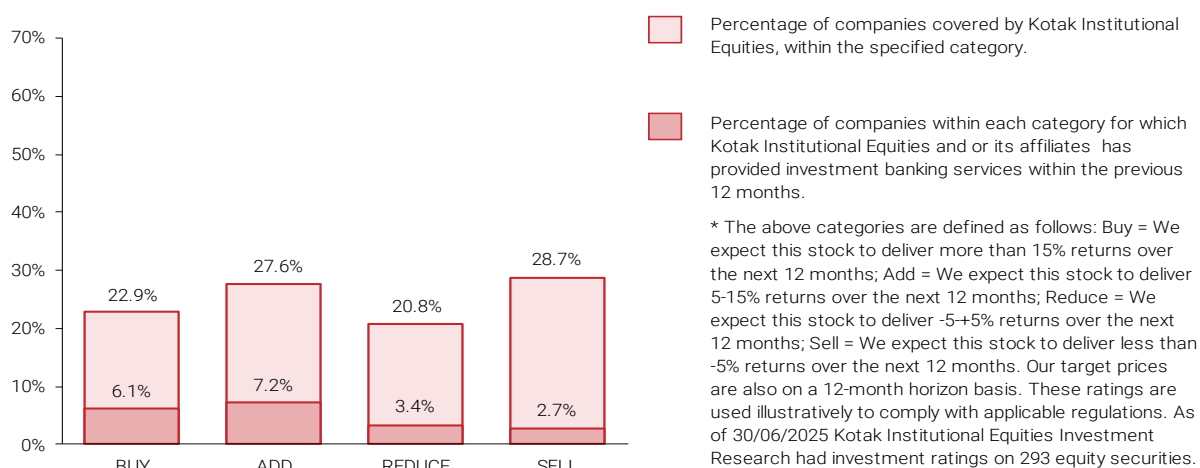
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