BUY Britannia Industries

Sharp volume recovery

Consumer Goods | Result Update | **August 10, 2026**

CMP (Rs): 5,510 | TP (Rs): 6,200

Britannia's 1QFY27 revenue was in line with expectations, but EBITDA/PAT were slightly below estimates. Standalone sales grew 10% yoy (highest in the last few years) on the back of strong volume growth of 9% (lower impact from dual-pricing). The company reported mid-teens exit growth rate for its key categories which bodes well for 2Q (also on a favorable base). Gross margin was up by 120bps (down by 60bps qoq) mainly due to strategic covers in palm oil and benign wheat prices. EBITDA margin expansion was lower at 40bps yoy mainly due to higher A&P spends. Margin is expected to see pressure in 2Q due to inflation in several RMs (sugar, milk, laminates, etc). We slightly reduce our margin estimates as we expect the company to increase media investments. Overall, we expect BRIT to deliver double-digit growth on both sales and earnings over the next three years and maintain BUY on the stock; our TP is unchanged at Rs6,200 (47x Jun-28E EPS).

1QFY27 result summary

Revenue grew 8% yoy on a 9% base (vs 6.5% in 4QFY26) and was in line with consensus' estimates. Volume growth was strong at ~9% (5.5% in 4QFY26 and 2% in 1QFY26). Gross margin expanded by 120bps yoy (60bps down qoq) to ~41.5%, led by lower input costs (wheat, palm oil) and pricing through shrinkflation. EBITDA grew ~11% yoy, albeit on a low base, though 4% below consensus' estimates; it was in line with our estimates. EBITDA margin expanded by 40bps yoy to ~20.7% (down by 130bps qoq), led by increase in other expenses (up by 180bps yoy) and partially offset by the decrease in staff costs (down by 100bps yoy). Adj PAT grew 14% yoy and was 2% below consensus' estimates, due to higher other income and lower interest.

Earnings call KTAs

1) Demand remained strong, with volume growth accelerating to 9% yoy in 1QFY27 (5.5% in 4QFY26; 2% in 1QFY26); the business logged mid-teens growth at end-1Q, driven by elimination of dual pricing and resilient organic demand. 2) Pricing growth was ~1% in 1Q, with another 1.5–2% expected in coming quarters. 3) Channels remained healthy, with GT demand building up at 1.5x FY26 growth levels, Ecom delivering strong double-digit growth, and QC accounting for >80% of E-commerce, growing rapidly with negligible LUP mix. 4) Key states grew at ~1.8x FY26 rates, while other states delivered double-digit growth at ~1.3x key-state growth; eastern India/Bengal and Bihar remained strong, with six states along with Tamil Nadu identified as key states. 5) International remained mixed in the Middle East/America, while Africa continued to perform well and is expected to return to growth from 2QFY27. 6) Margins remained exposed to inflation, with ~50% of RM inflation mitigated in 1Q, while A&P spends increased ahead of sales growth. 7) Adjacencies remained strong, with Croissants growing >30% and ARR at >Rs2bn. Phantom-stock impact was ~Rs10mn in 1Q, while no PLI was recognized in FY26 or 1QFY27 due to non-fulfilment of growth requirements. 8) Health and Wellness is a key opportunity.

Target Price – 12M	Jun-27
Change in TP (%)	-
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	12.5

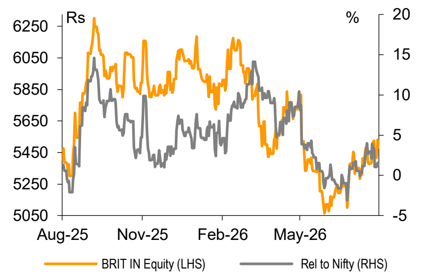
Stock Data	**BRIT IN**
52-week High (Rs)	6,337
52-week Low (Rs)	5,035
Shares outstanding (mn)	240.9
Market-cap (Rs bn)	1,327
Market-cap (USD mn)	13,939
Net-debt, FY27E (Rs mn)	(39,261.7)
ADTV-3M (mn shares)	0.4
ADTV-3M (Rs mn)	2,083.1
ADTV-3M (USD mn)	21.9
Free float (%)	49.5
Nifty-50	24,570.7
INR/USD	95.2

Shareholding,Jun-26	
Promoters (%)	50.5
FPIs/MFs (%)	13.4/20.9

Price Performance

(%)	**1M**	**3M**	**12M**
Absolute	1.2	(5.2)	0.6
Rel. to Nifty	0.4	(6.2)	0.7

1-Year share price trend (Rs)



Britannia Industries: Financial Snapshot (Consolidated)

Y/E March (Rs mn)	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
Revenue	179,427	191,516	212,185	234,016	255,389
EBITDA	31,872	35,444	39,221	44,418	48,756
Adj. PAT	22,035	25,335	28,058	31,075	34,516
Adj. EPS (Rs)	91.5	105.2	116.5	129.0	143.3
EBITDA margin (%)	17.8	18.5	18.5	19.0	19.1
EBITDA growth (%)	0.5	11.2	10.7	13.3	9.8
Adj. EPS growth (%)	2.8	15.0	10.7	10.8	11.1
RoE (%)	53.1	53.6	51.1	51.0	52.3
RoIC (%)	88.2	104.3	124.6	175.7	224.4
P/E (x)	60.9	52.4	47.3	42.7	38.5
EV/EBITDA (x)	41.3	37.1	33.5	29.6	27.0
P/B (x)	30.5	26.0	22.6	21.0	19.3
FCFF yield (%)	1.6	1.8	2.4	2.5	2.7

Source: Company, Emkay Research

Rajesh Kumar
rajesh.kumar@emkayglobal.com
+91-22-66121257

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

Exhibit 1: Marico – Quarterly trend in key financials

(Rs mn)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	yoy (%)	qoq (%)
Revenue	**46,222**	**48,406**	**49,241**	**47,189**	**50,000**	**8**	**6**
Cost of goods	27,591	28,229	28,198	27,311	29,250	6	7
Gross profit	**18,631**	**20,177**	**21,043**	**19,879**	**20,750**	**11**	**4**
Gross margin	40.3	41.7	42.7	42.1	41.5	120bps	-60bps
Employee expenses	2,419	1,811	1,662	1,861	2,096	(13)	13
Advertising expenses	8,642	8,821	9,553	9,489	10,253	19	8
Other expenses	**7,571**	**9,545**	**9,828**	**8,529**	**8,401**	**11**	**(1)**
EBITDA	16.4	19.7	20.0	18.1	16.8	40bps	-130bps
EBITDA margin	820	851	845	852	795	(3)	(7)
Depreciation	**6,750**	**8,695**	**8,983**	**7,676**	**7,606**	**13**	**(1)**
EBIT	14.6	18.0	18.2	16.3	15.2	60bps	-110bps
EBIT margin	262	347	333	187	229	(13)	22
Interest cost	570	521	595	555	614	8	11
Other income	**7,059**	**8,869**	**9,245**	**8,044**	**7,991**	**13**	**(1)**
PBT	1,809	2,286	2,369	2,008	2,040	13	2
Tax	25.6	25.8	25.6	25.0	25.5	-10bps	60bps
Tax rate	0.0	0.0	(28.4)	953.0	0.0	nm	(3456)
Non-recurring items	6	6	-22	-13	-20	(444)	51
Minority interest	-49	-33	-27	-193	-18	(63)	(91)
Share of profit from associate	**5,207**	**6,557**	**6,800**	**6,783**	**5,914**	**14**	**(13)**
PAT	**5,207**	**6,557**	**6,828**	**5,830**	**5,914**	**14**	**1**
Adj Profit	11.3	13.5	13.9	12.4	11.8	60bps	-50bps
Net profit margin	**46,222**	**48,406**	**49,241**	**47,189**	**50,000**	**8**	**6**

Source: Company, Emkay Research

Conference call takeaways

Demand environment

- Volume growth stood at 9% yoy in 1QFY27, accelerating from 5.5% in 4QFY26 and 2% in 1QFY26.
- The business exited the quarter at mid-teens growth
- The demand environment remains strong, with Management attributing the improving momentum to organic demand recovery alongside normalization of dual pricing disruption.
- Dual-pricing disruption has ended: the impact was visible in April and marginally in the first half of May, while June saw normalization. Management said retailer throughput and sell-out remain healthy.
- Pricing contributed ~1% in 1Q, primarily through shrinkflation, with Management expecting another ~1–2% impact on pricing as the initiatives are progressively implemented. In Rs5/Rs10 packs, MRP remains unchanged while grammage is reduced.

Channels

- General Trade (GT) recovery is gaining traction, with Management highlighting a demand build-up in GT; GT remains Britannia's largest channel. Management said GT growth in recent quarters has improved materially versus FY26 levels.
- E-commerce continues to grow at strong double-digit rates, while other/newer channels are growing faster than GT.

- Quick commerce accounts for ~80–85% of E-commerce and is growing at a fairly healthy double-digit rate.

- Q-commerce mix is structurally different from GT, with Rs5/Rs10 LUPs having negligible contribution; larger packs, impulse products, and adjacencies form a greater part of the mix.
- Adjacencies such as Rusk, Croissant, Jim Jam, and Little Hearts see higher traction on E-commerce, supporting their strong double-digit growth.
- Modern Trade remains an opportunity, but Management intends to grow the channel without diluting margins, given its higher cost structure.
- Britannia believes it is strong versus the market across channels, although it remains internally under-indexed in certain channels and sees opportunities to improve GT effectiveness through visibility, share of handler, and dominance rather than simply numerical distribution.

Key states

- Britannia has shifted toward 'key states' defined by revenue and profitability contribution. Key states have now moved into an upswing and are showing good growth.
- Other states are also growing faster than key states, indicating a broad-based recovery
- Eastern India, including Bengal, is growing in double-digits, despite it being a large market for Britannia.
- Management sees healthy growth across various states; while some states are outperforming and others are relatively slower, no state is currently showing a decline in growth.
- Bihar remains a strong market, with the company continuing to perform well.
- Britannia has identified six key states along with a broader "Many Indias" approach to drive growth through localized consumer activation, regional influencers, portfolio interventions, and greater empowerment of regional teams.
- Tamil Nadu was highlighted as an example, with the Milk Bikis Thirukkural campaign generating fairly good early results and demonstrating how localized activation can accelerate a legacy brand.

International

- International performance remained mixed, with challenges in the Middle East, including Saudi Arabia and North America, while Africa, led by Kenya, continued to perform well.
- Management said the international business has improved sequentially and expects it to return to a growth track from 2QFY27.

Margins

- Around 50% of RM inflation was mitigated through pricing in 1Q, with the balance yet to be recovered.
- Another ~1.5–2% hike is expected in pricing, as shrinkflation initiatives are progressively implemented.
- A&P/brand-building spends are increasing ahead of sales growth, following lower spending in the previous two years; Management believes the higher investment is already improving brand-recall metrics.
- Management is simultaneously accelerating cost-efficiency initiatives to protect profitability.

Input costs

- Industrial fuel is a particularly significant pressure-point for Britannia, given its baking-heavy manufacturing footprint. LPG/PNG prices rose sharply during Apr-May, with LPG reaching ~2.5x February levels, before moderating to ~1.5x February levels; costs nevertheless remain elevated.

- Palm oil was around Rs140/kg and >20% higher, adding to the cost pressure. Sugar prices increased sharply, rising by another ~Rs7/kg over the 2-3 weeks preceding the call; Management flagged sugar as a key watch-out, ahead of the festive season.
- Milk prices remain elevated, although Management expects some seasonal moderation after August. Flour has been relatively stable, but remains a watch-out given weather-related risks.
- Management views commodity inflation as cyclical rather than permanent, but acknowledged that it is currently a reality that needs to be managed.
- Britannia is mitigating inflation through procurement/hedging, packaging optimization, manufacturing and production waste reduction, alternate fuels, buying efficiencies, and greater renewable-energy usage.
- The company also intends to increase the use of biomass/alternate fuels to reduce its exposure to LPG/PNG inflation.

Adjacencies

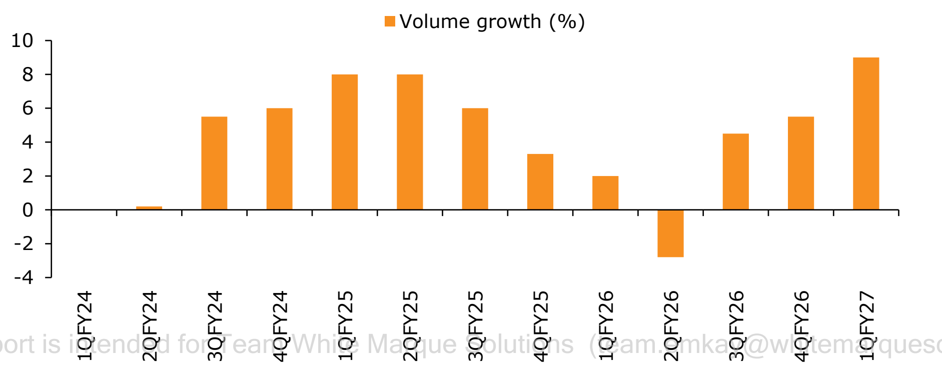
- Croissant remains a key high-growth adjacency, with Treat Triple Croissant and Dubai Kunafa Croissant growing >30% in 1Q; Management indicated Croissant margins are at or slightly above company margins.
- Croissant ARR is now ~Rs2bn, according to Management, with the business continuing to grow rapidly.
- Cake, Rusk, and Wafers delivered strong double-digit growth, while the dairy portfolio also grew in double-digits, supported by ghee and cheese slices.

Other points

- Phantom stock expense was only ~Rs10mn in 1Q vs ~Rs520mn in the base quarter
- No PLI income was recognized in FY26 or 1QFY27, as Britannia did not meet the prescribed growth threshold under the scheme.
- Management remains committed to expanding beyond bakery products, with internal work underway on future platforms and adjacencies.
- Health & Wellness is a key future platform, with protein specifically identified as an important opportunity.
- Management expects core/indulgent products and health-focused products to grow in parallel, rather than one necessarily coming at the expense of the other. Low per-capita consumption provides continued headroom for the core portfolio, while rising consumer awareness creates an opportunity in health.
- Inorganic opportunities are still on the table, but Britannia will be selective; acquisitions would primarily be considered for a strong brand, speed-to-market, capability, technology, or a segment that would take significant time to build organically.

Volume growth of 9% refers to total tonnage growth; Mgmt clarified pricing was largely through shrinkflation

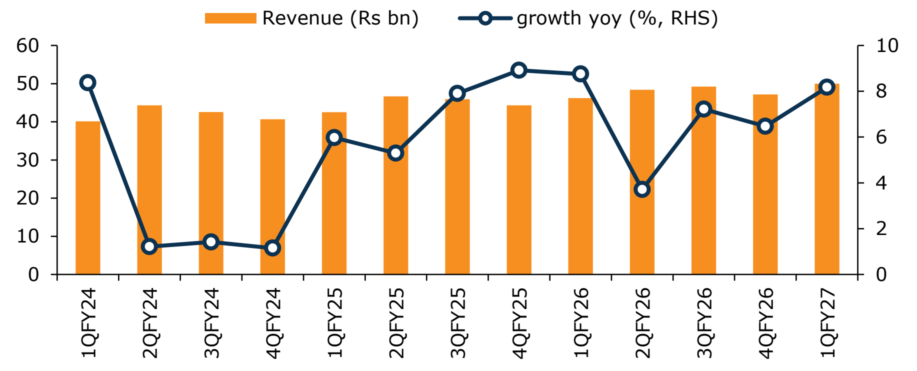
Exhibit 2: Volume growth came in strong at ~9% on the low base of 2% in 1QFY26



Source: Company, Emkay Research

BRIT exited June with mid-teens growth, aided by dual-pricing disruption, ending which brought back some retailers and underlying organic demand holding up strongly

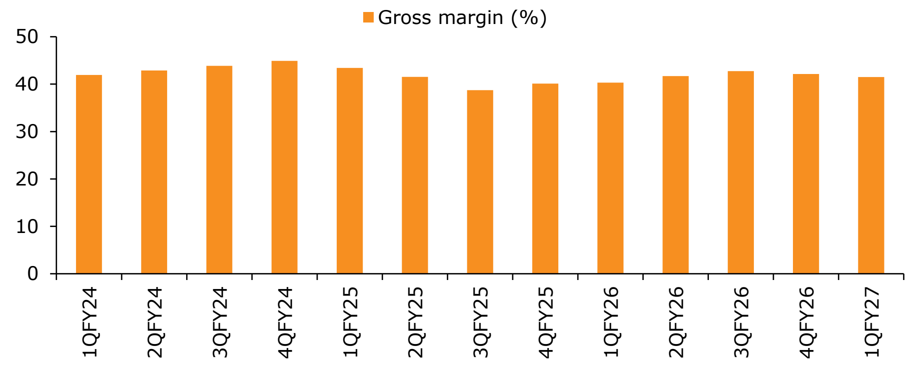
Exhibit 3: Revenue grew 8% yoy on a base of 9% (vs 6.5% in 4QFY26) and was in line with consensus' estimates



Source: Company, Emkay Research

On pricing, Management said it had mitigated roughly half the inflation through price increases in 1Q; the balance half has not yet been recovered

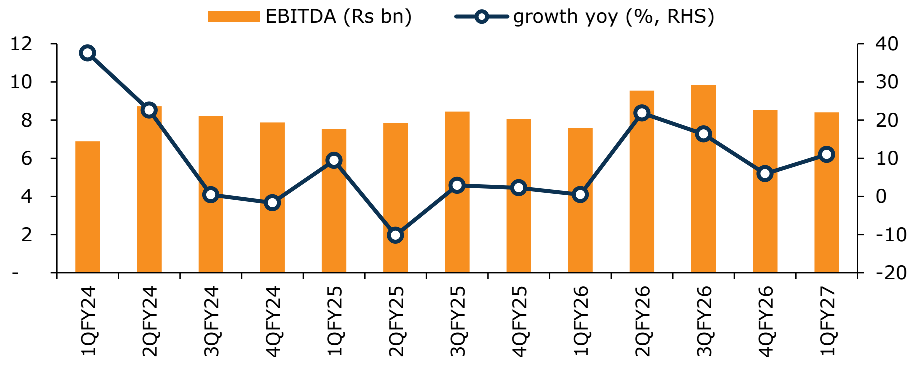
Exhibit 4: Gross margin expanded by 120bps yoy (60bps down qoq) to ~41.5%; Mgmt indicated another ~1.5-2% pricing actions going forward



Source: Company, Emkay Research

Mgmt indicated that its brand-building spends are growing ahead of sales growth; as a result, brand tracking parameters have shown an uptick in terms of brand recall

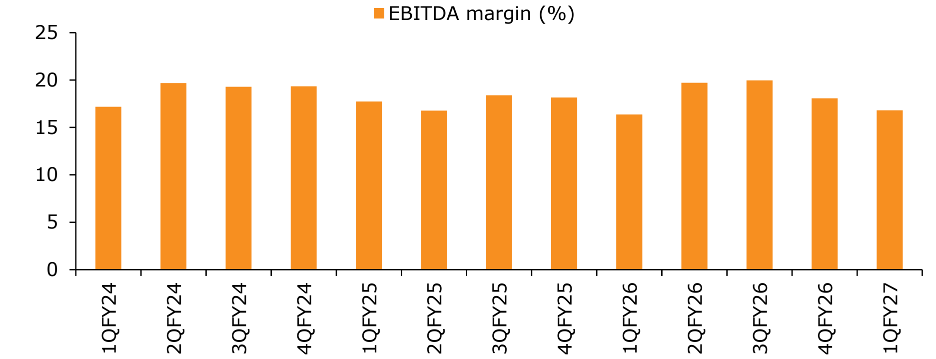
Exhibit 5: EBITDA grew ~11% yoy, albeit on a low base; however, it was 4% below consensus' estimates; in line with our estimates



Source: Company, Emkay Research

If the input costs remain elevated at this level (higher vs Feb 26) – mgmt. highlighted they would have to manage between value, volume and margins

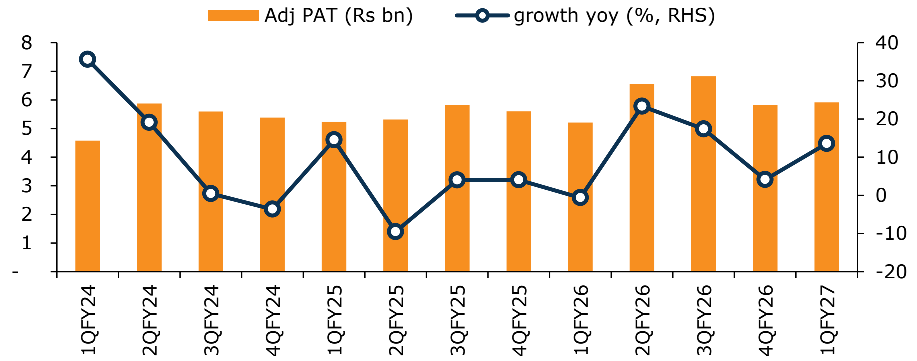
Exhibit 6: EBITDA margin expanded by 40bps yoy to ~20.7% (down 130bps qoq), led by increase in other expenses(+180bps yoy) partially offset by decrease in staff costs (-100bps yoy)



Source: Company, Emkay Research

There was no PLI income for 1QFY27 as well as in FY26

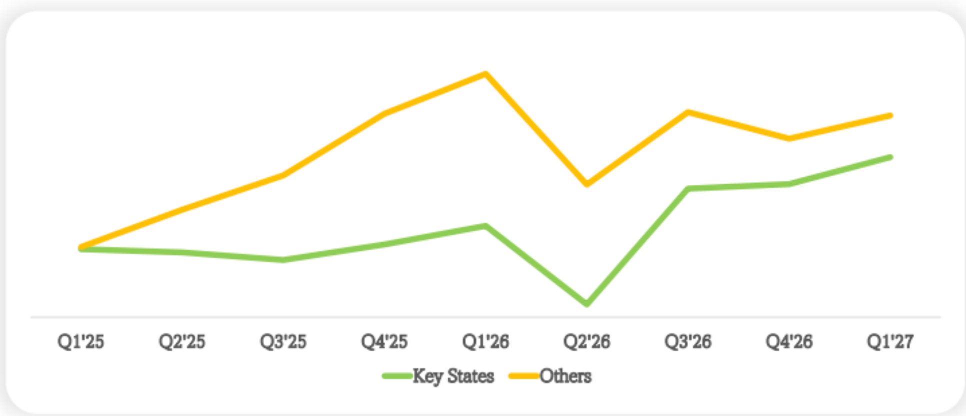
Exhibit 7: Adj PAT grew 14% yoy and was 2% below consensus' estimates, due to higher other income and lower interest cost and depreciation



Source: Company, Emkay Research

Britannia has identified a set of 'key states' that are important from both revenue and profitability perspectives

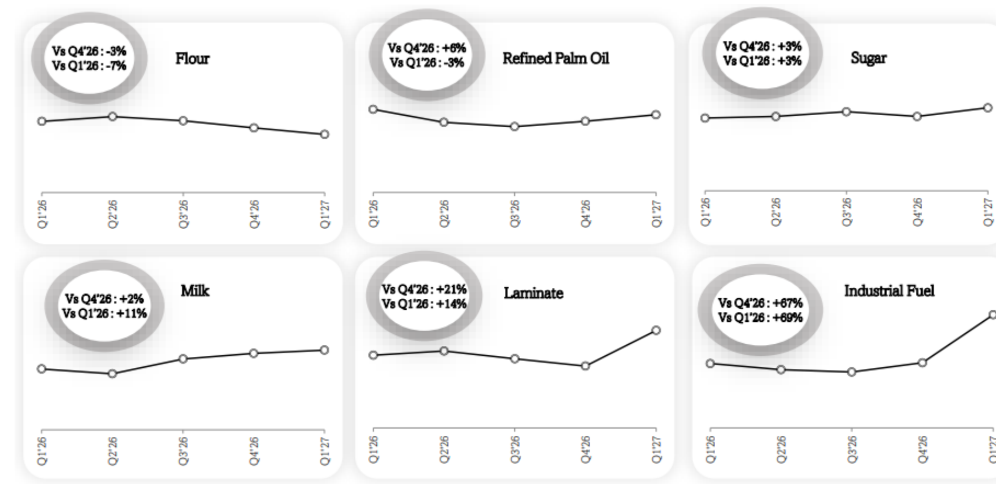
Exhibit 8: Some states are performing extremely well while others are slightly behind, but no state is seeing a decline



Source: Company, Emkay Research

Management said commodity inflation is a reality but is cyclical, and it does not view the current elevated costs as a permanent phenomenon

Exhibit 9: Input-cost inflation remains a key margin risk, with LPG/PNG, palm oil, sugar, and milk all flagged; flour has been relatively stable but remains a vertical to watch



Source: Company, Emkay Research

Exhibit 10: Changes in estimates

Rs mn	New estimates			Old estimates			Change in estimate		
	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Revenue	212,185	234,016	255,389	211,230	231,998	254,210	0%	1%	0%
EBITDA	39,221	44,418	48,756	39,683	44,321	48,585	-1%	0%	0%
EBITDA margin	18.5%	19.0%	19.1%	18.8%	19.1%	19.1%	-30bps	-10bps	0bps
Adj PAT	28,058	31,075	34,516	28,347	30,921	34,385	-1%	0%	0%
EPS (Rs)	116.5	129.0	143.3	117.7	128.4	142.7	-1%	0%	0%

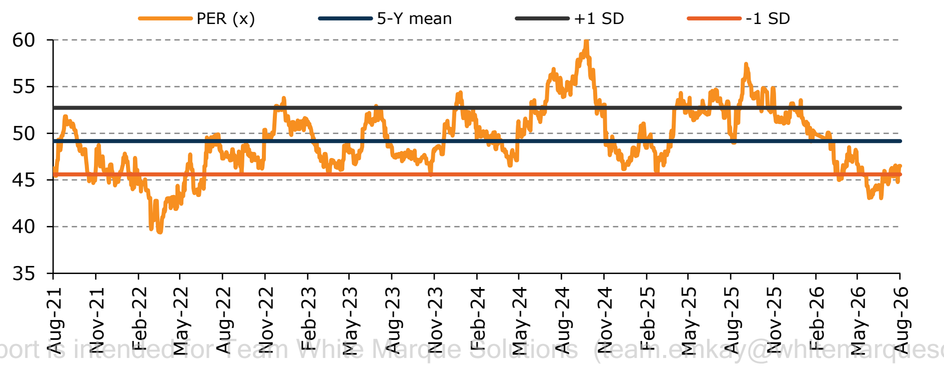
Source: Company, Emkay Research

Exhibit 11: Emkay vs Consensus estimates

Rs mn	Emkay estimates			Consensus estimates			Emkay vs Consensus estimates		
	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Revenue	212,185	234,016	255,389	210,453	231,687	254,337	1%	1%	0%
EBITDA	39,221	44,418	48,756	38,817	43,891	48,664	1%	1%	0%
EBITDA margin	18.5%	19.0%	19.1%	18.4%	18.9%	19.1%	10bps	10bps	0bps
Adj PAT	28,058	31,075	34,516	27,223	31,079	34,797	3%	0%	-1%
EPS (Rs)	116.5	129.0	143.3	113.0	129.0	143.9	3%	0%	0%

Source: Company, Emkay Research

Exhibit 12: BRIT trades near its '-1 SD' levels implying attractive valuations



Source: Company, Emkay Research

Britannia Industries: Consolidated Financials and Valuations

Profit & Loss

Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	**179,427**	**191,516**	**212,185**	**234,016**	**255,389**
Revenue growth (%)	7.0	6.7	10.8	10.3	9.1
EBITDA	**31,872**	**35,444**	**39,221**	**44,418**	**48,756**
EBITDA growth (%)	0.5	11.2	10.7	13.3	9.8
Depreciation & Amortization	3,133	3,368	3,400	3,570	3,784
EBIT	**28,738**	**32,076**	**35,821**	**40,848**	**44,972**
EBIT growth (%)	0.2	11.6	11.7	14.0	10.1
Other operating income	4,077	2,934	1,689	2,753	2,998
Other income	943	610	623	635	649
Financial expense	60	(503)	(1,300)	(150)	(200)
PBT	**29,621**	**33,189**	**37,744**	**41,634**	**45,821**
Extraordinary items	(248)	0	0	0	0
Taxes	7,487	7,518	9,436	10,408	11,455
Minority interest	9	(35)	50	50	50
Income from JV/Associates	(107)	(300)	(300)	(200)	100
Reported PAT	**21,787**	**25,335**	**28,058**	**31,075**	**34,516**
PAT growth (%)	1.8	16.3	10.7	10.8	11.1
Adjusted PAT	**22,035**	**25,335**	**28,058**	**31,075**	**34,516**
Diluted EPS (Rs)	**91.5**	**105.2**	**116.5**	**129.0**	**143.3**
Diluted EPS growth (%)	2.8	15.0	10.7	10.8	11.1
DPS (Rs)	**75.0**	**80.0**	**90.0**	**120.0**	**135.0**
Dividend payout (%)	**82.9**	**76.1**	**77.3**	**93.0**	**94.2**
EBITDA margin (%)	17.8	18.5	18.5	19.0	19.1
EBIT margin (%)	16.0	16.7	16.9	17.5	17.6
Effective tax rate (%)	25.3	22.7	25.0	25.0	25.0
NOPLAT (pre-IndAS)	**21,474**	**24,810**	**26,866**	**30,636**	**33,729**
Shares outstanding (mn)	241	241	241	241	241

Source: Company, Emkay Research

Balance Sheet

Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	241	241	241	241	241
Reserves & Surplus	43,316	50,825	58,406	62,983	68,590
Net worth	**43,557**	**51,066**	**58,647**	**63,224**	**68,831**
Minority interests	256	293	243	193	143
Non-current liab. & prov.	(348)	(414)	(414)	(414)	(414)
Total debt	**12,248**	**13,578**	**11,884**	**12,275**	**7,275**
Total liabilities & equity	**55,713**	**64,523**	**70,360**	**75,277**	**75,835**
Net tangible fixed assets	27,710	25,842	24,442	22,872	21,088
Net intangible assets	-	-	-	-	-
Net ROU assets	-	-	-	-	-
Capital WIP	892	390	500	500	500
Goodwill	1,328	1,440	1,440	1,440	1,440
Investments [JV/Associates]	-	-	-	-	-
Cash & equivalents	**31,779**	**39,622**	**51,145**	**58,334**	**61,354**
Current assets (ex-cash)	26,311	28,378	31,463	34,582	37,848
Current Liab. & Prov.	32,307	32,366	38,629	42,449	46,394
NWC (ex-cash)	**(5,996)**	**(3,988)**	**(7,167)**	**(7,868)**	**(8,546)**
Total assets	**55,713**	**64,523**	**70,257**	**75,101**	**75,654**
Net debt	(19,531)	(26,044)	(39,262)	(46,059)	(54,079)
Capital employed	55,713	64,523	70,360	75,277	75,835
Invested capital	**23,042**	**24,511**	**18,612**	**16,267**	**13,801**
BVPS (Rs)	180.8	212.0	243.5	262.4	285.7
Net Debt/Equity (x)	(0.4)	(0.5)	(0.7)	(0.7)	(0.8)
Net Debt/EBITDA (x)	(0.6)	(0.7)	(1.0)	(1.0)	(1.1)
Interest coverage (x)	494.7	(65.0)	(28.0)	(276.6)	(228.1)
RoCE (%)	**51.1**	**54.0**	**53.7**	**56.6**	**60.1**

Source: Company, Emkay Research

Cash flows

Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
PBT (ex-other income)	28,571	32,278	36,821	40,798	45,272
Others (non-cash items)	(826)	(509)	(250)	(150)	150
Taxes paid	(6,892)	(8,217)	(9,436)	(10,408)	(11,455)
Change in NWC	4,003	(2,074)	3,178	701	678
Operating cash flow	**24,906**	**26,116**	**32,713**	**34,561**	**38,129**
Capital expenditure	(3,477)	(2,328)	(789)	(1,927)	(1,995)
Acquisition of business	0	0	0	0	0
Interest & dividend income	186	(197)	623	635	649
Investing cash flow	**664**	**(7,573)**	**1,013**	**35**	**99**
Equity raised/(repaid)	0	0	0	0	0
Debt raised/(repaid)	(8,164)	1,331	(1,695)	391	(5,000)
Payment of lease liabilities	0	0	0	0	0
Interest paid	(60)	503	1,300	150	200
Dividend paid (incl tax)	(17,675)	(18,068)	(20,477)	(26,499)	(28,908)
Others	(1,639)	(1,592)	(2,550)	(1,450)	(1,500)
Financing cash flow	**(27,539)**	**(17,826)**	**(23,421)**	**(27,408)**	**(35,208)**
Net chg in Cash	(1,969)	717	10,306	7,188	3,020
OCF	24,906	26,116	32,713	34,561	38,129
Adj. OCF (w/o NWC chg.)	20,903	28,190	29,535	33,860	37,451
FCFF	21,430	23,788	31,924	32,634	36,133
FCFE	20,227	22,463	31,348	32,020	35,532
OCF/EBITDA (%)	78.1	73.7	83.4	77.8	78.2
FCFE/PAT (%)	92.8	88.7	111.7	103.0	102.9
FCFF/NOPLAT (%)	**99.8**	**95.9**	**118.8**	**106.5**	**107.1**

Source: Company, Emkay Research

Valuations and key Ratios

Y/E March	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	60.9	52.4	47.3	42.7	38.5
EV/CE(x)	23.5	20.3	18.6	17.4	17.3
P/B (x)	30.5	26.0	22.6	21.0	19.3
EV/Sales (x)	7.5	7.0	6.3	5.7	5.2
EV/EBITDA (x)	41.3	37.1	33.5	29.6	27.0
EV/EBIT(x)	45.8	41.0	36.7	32.2	29.3
EV/IC (x)	57.1	53.7	70.7	80.9	95.3
FCFF yield (%)	1.6	1.8	2.4	2.5	2.7
FCFE yield (%)	1.5	1.7	2.4	2.4	2.7
Dividend yield (%)	1.4	1.5	1.6	2.2	2.5
DuPont-RoE split					
Net profit margin (%)	12.3	13.2	13.2	13.3	13.5
Total asset turnover (x)	3.1	3.2	3.1	3.2	3.4
Assets/Equity (x)	1.4	1.3	1.2	1.2	1.1
RoE (%)	**53.1**	**53.6**	**51.1**	**51.0**	**52.3**
DuPont-RoIC					
NOPLAT margin (%)	12.0	13.0	12.7	13.1	13.2
IC turnover (x)	7.4	8.1	9.8	13.4	17.0
RoIC (%)	**88.2**	**104.3**	**124.6**	**175.7**	**224.4**
Operating metrics					
Core NWC days	(12.2)	(7.6)	(12.3)	(12.3)	(12.2)
Total NWC days	**(12.2)**	**(7.6)**	**(12.3)**	**(12.3)**	**(12.2)**
Fixed asset turnover	3.7	3.8	4.0	4.3	4.5
Opex-to-revenue (%)	23.1	23.4	23.0	22.8	22.8

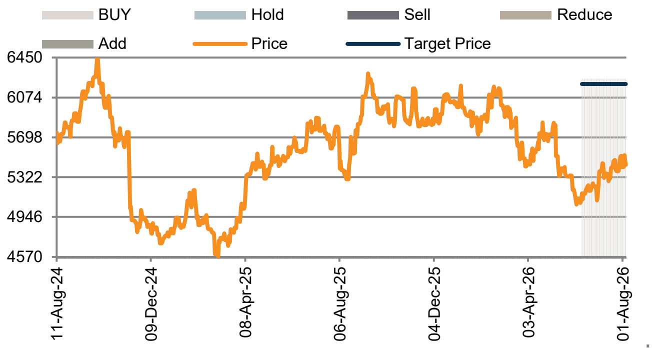
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
05-Jul-26	5,379	6,200	Buy	Rajesh Kumar
10-Jun-26	5,171	6,200	Buy	Rajesh Kumar

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

GENERAL DISCLOSURE/DISCLAIMER BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):

Emkay Global Financial Services Limited (CIN-L67120MH1995PLC084899) and its affiliates are a full-service, brokerage, investment banking, investment management and financing group. Emkay Global Financial Services Limited (EGFSL) along with its affiliates are participants in virtually all securities trading markets in India. EGFSL was established in 1995 and is one of India's leading brokerage and distribution house. EGFSL is a corporate trading member of BSE Limited (BSE), National Stock Exchange of India Limited (NSE), MCX Stock Exchange Limited (MCX-SX), Multi Commodity Exchange of India Ltd (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) (hereinafter referred to be as "Stock Exchange(s)"). EGFSL along with its [affiliates] offers the most comprehensive avenues for investments and is engaged in the businesses including stock broking (Institutional and retail), merchant banking, commodity broking, depository participant, portfolio management and services rendered in connection with distribution of primary market issues and financial products like mutual funds, fixed deposits. Details of associates are available on our website i.e. www.emkayglobal.com.

EGFSL is registered as Research Analyst with the Securities and Exchange Board of India ("SEBI") bearing registration Number INH000000354 as per SEBI (Research Analysts) Regulations, 2014. EGFSL hereby declares that it has not defaulted with any Stock Exchange nor its activities were suspended by any Stock Exchange with whom it is registered in last five years. However, SEBI and Stock Exchanges had conducted their routine inspection and based on their observations have issued advice letters or levied minor penalty on EGFSL for certain operational deviations in ordinary/routine course of business. EGFSL has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time.

EGFSL offers research services to its existing clients as well as prospects. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the clients simultaneously, not all clients may receive this report at the same time. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient.

EGFSL and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. EGFSL may have issued or may issue other reports (on technical or fundamental analysis basis) of the same subject company that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Users of this report may visit www.emkayglobal.com to view all Research Reports of EGFSL. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the research published by any other analyst or by associate entities of EGFSL; our proprietary trading, investment businesses or other associate entities may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. All material presented in this report, unless specifically indicated otherwise, is under copyright to Emkay. None of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of EGFSL . All trademarks, service marks and logos used in this report are trademarks or registered trademarks of EGFSL or its affiliates. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

This report has not been reviewed or authorized by any regulatory authority. There is no planned schedule or frequency for updating research report relating to any issuer/subject company.

Please contact the primary analyst for valuation methodologies and assumptions associated with the covered companies or price targets.

Disclaimer for U.S. persons only: Research report is a product of Emkay Global Financial Services Ltd., under Marco Polo Securities 15a6 chaperone service, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of Financial Institutions Regulatory Authority (FINRA) or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor. In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors. Emkay Global Financial Services Ltd. has entered into a chaperoning agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo"). Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

RESTRICTIONS ON DISTRIBUTION

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. Except otherwise restricted by laws or regulations, this report is intended only for qualified, professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person. Unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom.

ANALYST CERTIFICATION BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL)

The research analyst(s) primarily responsible for the content of this research report, in part or in whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The analyst(s) also certifies that no part of his/her compensation was, is, or will be, directly or indirectly, related to specific recommendations or views expressed in the report. The research analyst (s) primarily responsible of the content of this research report, in part or in whole, certifies that he or his associated persons1 may have served as an officer, director or employee of the issuer or the new listing applicant (which includes in the case of a real estate investment trust, an officer of the management company of the real estate investment trust; and in the case of any other entity, an officer or its equivalent counterparty of the entity who is responsible for the management of the issuer or the new listing applicant). The research analyst(s) primarily responsible for the content of this research report or his associate may have Financial Interests2 in relation to an issuer or a new listing applicant that the analyst reviews. EGFSL has procedures in place to eliminate, avoid and manage any potential conflicts of interests that may arise in connection with the production of research reports. The research analyst(s) responsible for this report operates as part of a separate and independent team to the investment banking function of the EGFSL and procedures are in place to ensure that confidential information held by either the research or investment banking function is handled appropriately. There is no direct link of EGFSL compensation to any specific investment banking function of the EGFSL.

[1] An associated person is defined as (i) who reports directly or indirectly to such a research analyst in connection with the preparation of the reports; or (ii) another person accustomed or obliged to act in accordance with the directions or instructions of the analyst.

[2] Financial Interest is defined as interest that are commonly known financial interest, such as investment in the securities in respect of an issuer or a new listing applicant, or financial accommodation arrangement between the issuer or the new listing applicant and the firm or analysis. This term does not include commercial lending conducted at the arm's length, or investments in any collective investment scheme other than an issuer or new listing applicant notwithstanding the fact that the scheme has investments in securities in respect of an issuer or a new listing applicant.

COMPANY-SPECIFIC / REGULATORY DISCLOSURES BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):

Disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) covered in this report-:

1. EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her associate/relative's may have Financial Interest/proprietary positions in the securities recommended in this report as of August 10, 2026
2. EGFSL, and/or Research Analyst does not market make in equity securities of the issuer(s) or company(ies) mentioned in this Report

Disclosure of previous investment recommendation produced:

3. EGFSL may have published other investment recommendations in respect of the same securities / instruments recommended in this research report during the preceding 12 months. Please contact the primary analyst listed in the first page of this report to view previous investment recommendations published by EGFSL in the preceding 12 months.
4. EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her relative's may have material conflict of interest in the securities recommended in this report as of August 10, 2026
5. EGFSL, its affiliates and Research Analyst or his/her associate/relative's may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the August 10, 2026
6. EGFSL or its associates may have managed or co-managed public offering of securities for the subject company in the past twelve months.
7. EGFSL, its affiliates and Research Analyst or his/her associate may have received compensation in whatever form including compensation for investment banking or merchant banking or brokerage services or for products or services other than investment banking or merchant banking or brokerage services from securities recommended in this report (subject company) in the past 12 months.
8. EGFSL, its affiliates and/or and Research Analyst or his/her associate may have received any compensation or other benefits from the subject company or third party in connection with this research report.

Emkay Rating Distribution

Ratings	Expected Return within the next 12-18 months.
BUY	>15% upside
ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	>15% downside

Emkay Global Financial Services Ltd.
CIN - L67120MH1995PLC084899
7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai - 400028. India
Tel: +91 22 66121212 Fax: +91 22 66121299 Web: www.emkayglobal.com

OTHER DISCLAIMERS AND DISCLOSURES:

Other disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) -:

EGFSL or its associates may have financial interest in the subject company.

Research Analyst or his/her associate/relative's may have financial interest in the subject company.

EGFSL or its associates and Research Analyst or his/her associate/ relative's may have material conflict of interest in the subject company. The research Analyst or research entity (EGFSL) have not been engaged in market making activity for the subject company.

EGFSL or its associates may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of public appearance or publication of Research Report.

Research Analyst or his/her associate/relatives may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of public appearance or publication of Research Report.

Research Analyst may have served as an officer, director or employee of the subject company.

EGFSL or its affiliates may have received any compensation including for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. . Emkay may have issued or may issue other reports that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Emkay Investors may visit www.emkayglobal.com to view all Research Reports. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the research published by any other analyst or by associate entities of Emkay; our proprietary trading, investment businesses or other associate entities may make investment decisions that are inconsistent with the recommendations expressed herein. EGFSL or its associates may have received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. EGFSL or its associates may have received any compensation or other benefits from the Subject Company or third party in connection with the research report. EGFSL or its associates may have received compensation from the subject company in the past twelve months. Subject Company may have been client of EGFSL or its affiliates during twelve months preceding the date of distribution of the research report and EGFSL or its affiliates may have co-managed public offering of securities for the subject company in the past twelve months.

Seshadri Kumar Sen

Digitally signed by Seshadri Kumar Sen
Date: 2026.08.10 00:31:55 +05'30'