

October 20, 2022

Q2FY23 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY24E	FY25E	FY24E	FY25E
Rating	ACCUMULATE		ACCUMULATE	
Target Price	365		340	
Sales (Rs. m)	7,27,194	7,90,573	6,93,087	7,53,693
% Chng.	4.9	4.9		
EBITDA (Rs. m)	2,47,658	2,71,313	2,32,858	2,55,257
% Chng.	6.4	6.3		
EPS (Rs.)	15.5	17.0	14.9	16.3
% Chng.	4.5	4.5		

Key Financials - Standalone

Y/e Mar	FY22	FY23E	FY24E	FY25E
Sales (Rs. bn)	563	700	727	791
EBITDA (Rs. bn)	189	237	248	271
Margin (%)	33.6	33.9	34.1	34.3
PAT (Rs. bn)	151	182	192	211
EPS (Rs.)	12.2	14.8	15.5	17.0
Gr. (%)	15.4	20.8	5.3	9.5
DPS (Rs.)	11.1	12.0	13.0	14.0
Yield (%)	3.2	3.4	3.7	4.0
RoE (%)	25.0	28.6	28.2	29.0
RoCE (%)	28.7	34.3	33.4	34.4
EV/Sales (x)	7.4	5.9	5.7	5.2
EV/EBITDA (x)	21.9	17.4	16.7	15.2
PE (x)	28.6	23.7	22.5	20.5
P/BV (x)	7.0	6.5	6.2	5.8

Key Data

ITC.BO | ITC IN

52-W High / Low	Rs.351 / Rs.207
Sensex / Nifty	59,203 / 17,564
Market Cap	Rs.4,336bn / \$ 52,396m
Shares Outstanding	12,399m
3M Avg. Daily Value	Rs.4347.36m

Shareholding Pattern (%)

Promoter's	-
Foreign	12.25
Domestic Institution	42.39
Public & Others	45.36
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	4.1	34.7	41.8
Relative	5.0	29.8	46.7

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ITC (ITC IN)

Rating: ACCUMULATE | CMP: Rs350 | TP: Rs365

Robust near term outlook, cigarette taxation key

Quick Pointers:

- Cigarette volumes up 20.5%, FMCG reports 21.0% sales growth, EBITDA margins down 50bps YoY
- Paper margins up 518bps, Hotels demand outlook remains strong.

We increase our FY23/FY24/FY25 EPS by 3.2%/4.5%/4.5% and target price to Rs365 (Rs340 earlier) and maintain our Accumulate rating. ITC posted encouraging performance with ~20.5% cigarette volume growth and margin expansion across cigarettes, paperboard and hotels business. Near term outlook remains positive given 1) positive cigarette volume traction in a stable tax regime 2) strong pricing and benefits of back ward integration in Paper and paper board in near term 3) structural recovery with robust outlook in ARR and occupancy levels in Hotels and 4) sustained growth across segments in FMCG with margin expansion likely from 3Q/4Q23.

While near term outlook is strong, we expect slowdown in growth post FY23 given high base of current year. ITC trades at 21.0x Dec'24 EPS with 11.8% EPS CAGR over FY22-25. We note ROE/ ROCE of 29%/38% and ~80%+ dividend payout are positives. We expect incremental returns to accrue in a more calibrated manner. Any punitive increase in cigarette taxes is a key risk to our call. Retain Accumulate

- Cigarettes volumes grew 20.5%; EBIT up 23.6%:** Revenues grew by 23.3% YoY to Rs69.5bn; EBIT grew by 23.6% YoY to Rs44.3bn; margins expanded by 18bps YoY to 63.7%. Robust growth across regions & markets. Volumes have continued to surprise on the upside & remain comfortably above pre-pandemic levels backed by innovation & premiumisation across segments. Flat pricing, superior mix and benefits of trade initiatives have enabled ITC grow faster than competition and gain from counterfeit and illegal cigarettes.
- FMCG EBITDA margins declined 50bps YoY:** Revenues grew by 21% YoY to Rs48.8bn; EBIT grew by 17.9% YoY to Rs3.2bn; margins contracted by 17bps YoY to 6.6%. EBITDA margin down 50bps YoY to 9.5% due to severe inflationary impact. Strong growth was seen in Staples & Convenience foods and Discretionary/'Out-of-Home' products. Hygiene products portfolio remain subdued due to waning impact of COVID. ITC's digitally powered eB2B platform 'Unnati' was rolled out to 4.4 Lakh retailers. We expect operating led benefit in margins while volatile raw materials remain a key risk in our view.
- Hotels Revenues up 81.8% YoY:** Revenues grew by 81.8% YoY to Rs 5.4bn; profit of Rs 0.8bn in 2Q23 Vs loss of 0.5bn in 2Q22; margins came in at 15.7%. ARR and occupancy levels were ahead of pre-pandemic levels driven by retail (packages), leisure, weddings and MICE segments. ARR/Occupancy improved YoY with demand outlook remaining strong.

- **Paperboards, Paper & Packaging:** Revenues grew by 25% YoY to Rs22.9bn; EBIT grew by 54% YoY to Rs6.3bn; margins expanded 518bps YoY to 27.5%. Revenue growth is driven by strong demand across end user segments and Value added Paperboard. Fine paper segment shows robust performance with higher demand in notebooks and publications. Nadiad unit for packaging in Gujarat commenced operations during the quarter. Division has backward integration into pulp and saw higher margins in the quarter due to higher global prices of pulp. However, we believe margins are not sustainable and may correct post 3Q23.
- **Agri Business** revenues grew by 44% YoY to Rs40bn; EBIT grew by 16.6% YoY to Rs3.5bn; margins contracted by 203bps YoY to 8.6%. Performance driven by strong growth in wheat, rice and leaf tobacco exports leveraging strong customer relationships, robust sourcing network and agile execution and benefits of supply chain disruption.

Exhibit 1: 2QFY23 Result Overview: Net Sales up 26.7%, Adj. PAT up by 20.8%

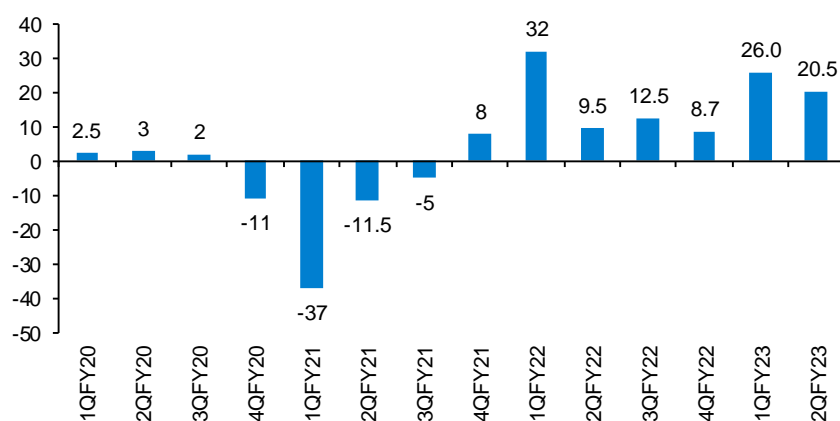
Y/e March	2QFY23	2QFY22	YoY gr. (%)	1QFY23	1HFY23	1HFY22	YoY gr. (%)
Net Sales	1,61,299	1,27,310	26.7	1,72,897	3,34,196	2,49,481	34.0
Other Exp	22,979	13,958	64.6	- 33,746	- 68,690	1,737	(4,055.2)
EBITDA	58,643	46,150	27.1	56,475	1,15,119	86,072	33.7
<i>Margins (%)</i>	<i>36.4</i>	<i>36.3</i>	<i>0.1</i>	<i>32.7</i>	<i>34.4</i>	<i>34.5</i>	<i>(0.1)</i>
Depreciation	4,220	4,015	5.1	4,115	8,336	7,969	4.6
Interest	106.7	104.5	2.1	91.3	198.0	207.7	(4.7)
Other Income	5,069	6,770	(25.1)	3,127	8,196	11,060	(25.9)
PBT	59,385	48,801	21.7	55,396	1,14,781	88,955	29.0
Tax	14,725	11,829	24.5	13,702	28,427	21,848	30.1
<i>Rate (%)</i>	<i>24.8</i>	<i>24.2</i>	<i>0.6</i>	<i>24.7</i>	<i>24.8</i>	<i>24.6</i>	<i>0.2</i>
Adjusted PAT	44,661	36,972	20.8	41,694	86,354	67,107	28.7

Source: Company, PL

Sales increased 23.3% and EBIT up 23.6%.

Robust growth across regions & markets. Volumes remain ahead of pre-pandemic levels backed by innovation & premiumisation across segments

Exhibit 2: Cigarettes: Volumes up 20.5%



Source: Company, PL

Strong growth in Staples & Convenience foods and Discretionary/'Out-of-Home' products

Hygiene products segment remain subdued but significantly above pre-pandemic levels.

ITC e-commerce continues to scale up

Hotels continued its sequential improvement with ARR & occupancy well ahead of pre pandemic levels.

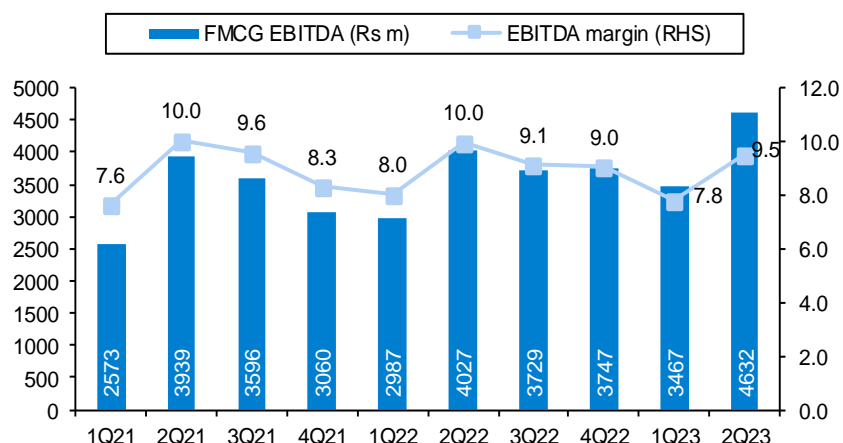
Paperboard segment reported strong performance aided by strong demand across end-user segments and benefits of in-house pulp manufacturing

Agri business aided by strong growth in wheat, rice and lead tobacco exports leveraging strong customer relationships, sourcing network and execution

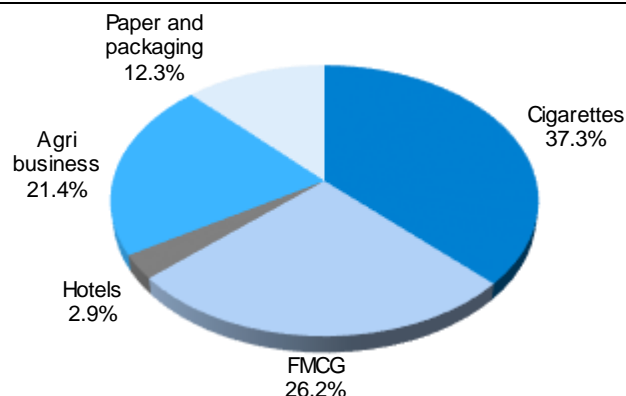
Exhibit 3: Cigarette volumes grew 20.5%, FMCG margins at 6.6%

	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23
Cigarette Volume gr %	32.0	9.5	1.4	8.7	26.0	20.5
Sales (INR m)	1,46,489	1,45,787	1,78,169	1,75,241	2,13,555	1,86,591
Cigarettes	51,222	56,417	62,441	64,434	66,090	69,538
FMCG	37,256	40,364	40,906	41,420	44,514	48,848
Hotels	1,272	2,947	4,734	3,896	5,550	5,360
Agri business	40,913	27,761	49,624	43,663	74,730	39,970
Paper and packaging	15,827	18,297	20,465	21,828	22,672	22,876
Sales growth (YoY)	21.8	8.5	32.6	17.9	45.8	28.0
Cigarettes	32.9	10.2	13.6	10.0	29.0	23.3
FMCG	10.4	6.4	9.3	12.3	19.5	21.0
Hotels	463.5	259.6	101.3	35.4	336.2	81.8
Agri business	9.2	(7.0)	100.0	29.6	82.7	44.0
Paper and packaging	54.2	25.4	38.5	31.8	43.3	25.0
EBIT (INR m)	38,315	45,123	49,869	50,097	54,020	58,088
Cigarettes	32,209	35,832	39,507	41,143	41,889	44,293
FMCG	1,734	2,719	2,419	2,360	2,039	3,206
Hotels	-1,515	-480	506	-342	1,122	840
Agri business	1,957	2,961	2,953	2,440	2,840	3,452
Paper and packaging	3,928	4,090	4,485	4,497	6,130	6,298
EBIT growth (YoY)	48.6	15.7	21.5	15.7	41.0	28.7
Cigarettes	36.7	10.4	14.4	12.2	30.1	23.6
FMCG	38.3	7.6	1.1	25.1	17.6	17.9
Hotels	NA	NA	NA	NA	NA	NA
Agri business	9.5	15.7	50.6	28.5	45.1	16.6
Paper and packaging	145.3	23.8	57.3	39.1	56.0	54.0
EBIT Margin (%)						
Cigarettes	62.9	63.5	63.3	63.9	63.4	63.7
FMCG	4.7	6.7	5.9	5.7	4.6	6.6
Hotels	(119.0)	(16.3)	10.7	(8.8)	20.2	15.7
Agri business	4.8	10.7	6.0	5.6	3.8	8.6
Paper and packaging	24.8	22.4	21.9	20.6	27.0	27.5

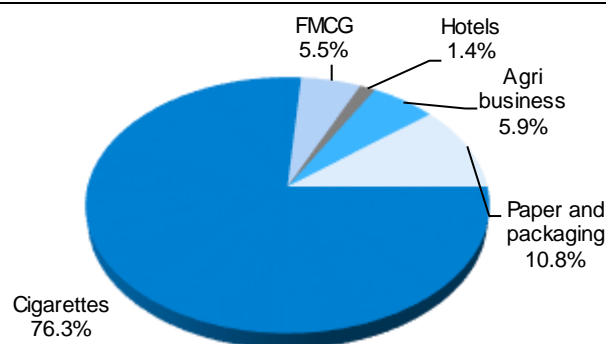
Source: Company, PL

Exhibit 4: FMCG EBITDA margins at 9.5%, Margins declined by 50bps YoY


Source: Company, PL

Exhibit 5: Sales Mix: Cigarettes 37.3%, FMCG 26.2%


Source: Company, PL

Exhibit 6: Cigarettes contribute 76.3% of EBIT


Source: Company, PL

Exhibit 7: SOTP on Dec24 - cigarette account of 53% of value

SOTP	Basis	X	EV (Rs mn)	PAT (Rs mn)	% of PAT	EPS (Rs)	Value/Share
Cigarettes	P/E	16		148581	72.2	12.0	192
FMCG - Others	EV/Sales	4.5	1065388	13116	6.4	1.1	86
Hotels	EV/EBIDTA	25	247779	4771	2.3	0.4	20
Agri business	P/E	15		10775	5.2	0.9	13
Paper and packaging	P/E	12		16012	7.8	1.3	16
ITC Infotech	PE	20		5630	2.7	0.5	9
Business Value							336
Cash and Invst							29
Total Value/share							365

Source: PL

Exhibit 8: FMCG and Hotels to drive growth over FY22-25

	FY20	FY21	FY22	FY23E	FY24E	FY25E
Net Sales (Rs m)						
Cigarettes	201,439	182,663	2,09,598	2,47,853	2,68,054	2,82,896
FMCG	128,137	147,086	1,59,648	1,88,683	2,14,944	2,44,022
Hotel	18,234	6,236	12,793	21,907	24,388	26,447
Agri	102,407	125,822	1,61,961	2,17,592	2,06,001	2,28,158
Paper and Paperboard	61,072	56,186	76,416	93,929	90,869	95,554
Sales Growth (%)						
Cigarettes	1.2	(9.3)	14.7	18.3	8.2	5.5
FMCG	2.6	14.8	8.5	18.2	13.9	13.5
Hotel	10.6	(65.8)	105.2	71.2	11.3	8.4
Agri	9.0	22.9	28.7	34.3	(5.3)	10.8
Paper and Paperboard	4.2	(8.0)	36.0	22.9	(3.3)	5.2
EBIT (Rs m)						
Cigarettes	148,526	127,204	1,48,691	1,73,221	1,89,134	2,01,099
FMCG	4,231	8,327	9,232	11,698	15,046	18,302
Hotel	1,578	(5,349)	-1,831	4,381	5,609	6,612
Agri	7,889	8,207	10,312	13,056	12,978	14,830
Paper and Paperboard	13,053	10,987	17,000	24,422	20,900	21,500
EBIT Margin (%)						
Cigarettes	73.7	62.6	63.4	63.7	64.2	64.5
FMCG	3.3	5.7	5.8	6.2	7.0	7.5
Hotel	8.7	-85.8	-14.3	20.0	23.0	25.0
Agri	7.7	6.5	6.4	6.0	6.3	6.5
Paper and Paperboard	21.4	19.6	22.2	26.0	23.0	22.5
EBIT Growth (%)						
Cigarettes	2.1	-14.4	16.9	16.5	9.2	6.3
FMCG	9.5	96.8	10.9	26.7	28.6	21.6
Hotel	-11.2	-439.1	-65.8	-339.3	28.0	17.9
Agri	1.6	4.0	25.6	26.6	-0.6	14.3
Paper and Paperboard	5.3	-15.8	54.7	43.7	-14.4	2.9

Source: Company, PL

Exhibit 9: Addressing emerging consumer needs

<p>Aashirvaad Meri Chakki Atta Pick Your Mix</p>	<p>Bingo! Snacks Differentiated Flavors & Textures</p>	<p>Mom's Magic Centre Filled with Cashews & Molten Butter Creme</p>	<p>Sunfeast Dark Fantasy Premium Filled Cookies</p>

<p>Fama Charcoal & Grapefruit Deep Clean Gel Bar</p>	<p>Nimyle Power Power of Neem</p>	<p>Classmate Interaktiv Augmented Reality Notebooks</p>	<p>Mangaldeep 3in1 Deetyaa Long Lasting Luxury Fragrance</p>	<p>Mangaldeep Dhuno Cups Authentic Dhunachi Experience</p>

Source: PL, Company

Exhibit 10: Creation of a future ready portfolio

<p>Aashirvaad Nature's Super Foods Gluten Free & Multi Millet Mix Organic</p>	<p>Roasted Vermicelli No Added Preservatives</p>	<p>Aashirvaad Svasti Organic Cow Ghee</p>	<p>Aashirvaad Svasti Milk Select Milk Easy Digest Milk (Lactose Free)</p>	

<p>Aashirvaad Salt Proactive Better Heart Health</p>	<p>Farmlite Digestive Goodness of Whole Wheat</p>	<p>Sunfeast Kids Dailyshake 23 Vitamins and Minerals</p>	<p>B Natural Sunfeast Nutrilite Health Range</p>	<p>Master Chef IncrEDIBLY VegAN</p>

Source: PL, Company

Exhibit 11: ITC Infotech – Revenues up 10%, EBITDA down 36% YoY

(INR m)	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23
ITC Infotech	5,740	5,950	6,290	6,560	6,960	7,490	7,360	6,720	7,510	8,210
Sales growth (YoY)					21	26	17	2	8	10
EBITDA	1,095	1,405	1,720	1,960	1,960	2,110	1,920	1,180	1,190	1,350
EBITDA growth (YoY)					79	50	12	-40	-39	-36
Margin (%)	19.1	23.6	27.3	29.9	28.2	28.2	26.1	17.6	15.8	16.4

Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY22	FY23E	FY24E	FY25E
Net Revenues	5,63,413	7,00,283	7,27,194	7,90,573
YoY gr. (%)	23.9	24.3	3.8	8.7
Cost of Goods Sold	2,62,325	3,29,598	3,42,931	3,71,405
Gross Profit	3,01,087	3,70,686	3,84,263	4,19,168
Margin (%)	53.4	52.9	52.8	53.0
Employee Cost	30,620	37,148	39,067	42,484
Other Expenses	40,728	48,124	46,740	50,355
EBITDA	1,89,337	2,37,471	2,47,658	2,71,313
YoY gr. (%)	22.0	25.4	4.3	9.6
Margin (%)	33.6	33.9	34.1	34.3
Depreciation and Amortization	16,523	18,705	20,299	21,896
EBIT	1,72,814	2,18,766	2,27,359	2,49,416
Margin (%)	30.7	31.2	31.3	31.5
Net Interest	420	471	471	471
Other Income	25,900	24,469	29,075	31,748
Profit Before Tax	1,98,294	2,42,765	2,55,963	2,80,694
Margin (%)	35.2	34.7	35.2	35.5
Total Tax	47,717	60,691	63,991	70,174
Effective tax rate (%)	24.1	25.0	25.0	25.0
Profit after tax	1,50,577	1,82,073	1,91,973	2,10,521
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	1,50,577	1,82,073	1,91,973	2,10,521
YoY gr. (%)	15.5	20.9	5.4	9.7
Margin (%)	26.7	26.0	26.4	26.6
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	1,50,577	1,82,073	1,91,973	2,10,521
YoY gr. (%)	15.5	20.9	5.4	9.7
Margin (%)	26.7	26.0	26.4	26.6
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	1,50,577	1,82,073	1,91,973	2,10,521
Equity Shares O/s (m)	12,323	12,338	12,352	12,366
EPS (Rs)	12.2	14.8	15.5	17.0

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY22	FY23E	FY24E	FY25E
Non-Current Assets				
Gross Block	3,04,561	3,34,761	3,64,961	3,95,161
Tangibles	2,82,197	3,12,197	3,42,197	3,72,197
Intangibles	22,363	22,563	22,763	22,963
Acc: Dep / Amortization	85,016	1,02,523	1,21,683	1,42,498
Tangibles	82,725	99,780	1,18,486	1,38,841
Intangibles	2,291	2,742	3,198	3,657
Net fixed assets	2,19,544	2,32,238	2,43,277	2,52,663
Tangibles	1,99,472	2,12,417	2,23,711	2,33,356
Intangibles	20,072	19,821	19,566	19,306
Capital Work In Progress	24,423	25,000	25,000	25,000
Goodwill	5,772	5,772	5,772	5,772
Non-Current Investments	1,56,624	1,57,893	1,69,436	1,82,048
Net Deferred tax assets	(16,671)	(15,838)	(15,046)	(14,294)
Other Non-Current Assets	35,142	38,272	38,175	38,851
Current Assets				
Investments	1,16,250	1,32,396	1,61,818	1,82,739
Inventories	99,978	1,23,388	1,28,049	1,39,190
Trade receivables	19,525	24,678	25,610	27,838
Cash & Bank Balance	38,779	41,342	26,879	24,570
Other Current Assets	11,952	14,706	15,271	16,602
Total Assets	7,50,925	8,22,057	8,69,608	9,30,136
Equity				
Equity Share Capital	12,323	12,338	12,352	12,366
Other Equity	6,01,672	6,47,953	6,89,146	7,36,343
Total Network	6,13,996	6,60,291	7,01,498	7,48,709
Non-Current Liabilities				
Long Term borrowings	45	-	-	-
Provisions	1,869	2,317	2,426	2,637
Other non current liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	0	0	0	0
Trade payables	42,234	53,070	56,428	62,328
Other current liabilities	72,547	86,952	90,589	98,504
Total Equity & Liabilities	7,50,925	8,22,057	8,69,608	9,30,136

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY22	FY23E	FY24E	FY25E
PBT	1,98,294	2,42,765	2,55,963	2,80,694
Add. Depreciation	16,523	18,705	20,299	21,896
Add. Interest	420	471	471	471
Less Financial Other Income	25,900	24,469	29,075	31,748
Add. Other	(16,736)	(3,757)	(821)	(1,424)
Op. profit before WC changes	1,98,500	2,58,183	2,75,912	3,01,636
Net Changes-WC	21,462	(25,658)	(15,191)	(26,348)
Direct tax	(47,717)	(60,691)	(63,991)	(70,174)
Net cash from Op. activities	1,72,245	1,71,834	1,96,730	2,05,114
Capital expenditures	(18,318)	(31,975)	(31,339)	(31,282)
Interest / Dividend Income	-	-	-	-
Others	(27,199)	(1,268)	(11,541)	(12,610)
Net Cash from Invt. activities	(45,517)	(33,243)	(42,880)	(43,892)
Issue of share cap. / premium	5,692	394	(2,712)	(2,733)
Debt changes	(7)	(45)	-	-
Dividend paid	(1,32,320)	(1,36,172)	(1,48,053)	(1,60,577)
Interest paid	(420)	(471)	(471)	(471)
Others	14	266	266	248
Net cash from Fin. activities	(1,27,040)	(1,36,028)	(1,50,970)	(1,63,532)
Net change in cash	(312)	2,563	2,880	(2,309)
Free Cash Flow	1,53,927	1,39,859	1,65,391	1,73,833

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY22	FY23E	FY24E	FY25E
Per Share(Rs)				
EPS	12.2	14.8	15.5	17.0
CEPS	13.6	16.3	17.2	18.8
BVPS	49.8	53.5	56.8	60.5
FCF	12.5	11.3	13.4	14.1
DPS	11.1	12.0	13.0	14.0
Return Ratio(%)				
RoCE	28.7	34.3	33.4	34.4
ROIC	29.0	33.7	33.4	34.5
RoE	25.0	28.6	28.2	29.0
Balance Sheet				
Net Debt : Equity (x)	(0.3)	(0.3)	(0.3)	(0.3)
Net Working Capital (Days)	50	50	49	48
Valuation(x)				
PER	28.6	23.7	22.5	20.5
P/B	7.0	6.5	6.2	5.8
P/CEPS	13.6	16.3	17.2	18.8
EV/EBITDA	21.9	17.4	16.7	15.2
EV/Sales	7.4	5.9	5.7	5.2
Dividend Yield (%)	3.2	3.4	3.7	4.0

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q3FY22	Q4FY22	Q1FY23	Q2FY23
Net Revenue	1,58,623	1,55,309	1,72,897	1,61,299
YoY gr. (%)	34.6	16.8	41.5	26.7
Raw Material Expenses	77,204	72,799	84,768	69,380
Gross Profit	81,420	82,510	88,128	91,919
Margin (%)	51.3	53.1	51.0	57.0
EBITDA	51,021	52,244	56,475	58,643
YoY gr. (%)	19.2	16.8	41.5	27.1
Margin (%)	32.2	33.6	32.7	36.4
Depreciation / Depletion	4,093	4,459	4,115	4,220
EBIT	46,928	47,784	52,360	54,423
Margin (%)	29.6	30.8	30.3	33.7
Net Interest	107	105	91	107
Other Income	8,099	6,741	3,127	5,069
Profit before Tax	54,920	54,420	55,396	59,385
Margin (%)	34.6	35.0	32.0	36.8
Total Tax	13,358	12,511	13,702	14,725
Effective tax rate (%)	24.3	23.0	24.7	24.8
Profit after Tax	41,562	41,910	41,694	44,661
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	41,562	41,910	41,694	44,661
YoY gr. (%)	13.5	11.8	38.4	20.8
Margin (%)	26.2	27.0	24.1	27.7
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	41,562	41,910	41,694	44,661
YoY gr. (%)	13.5	11.8	38.4	20.8
Margin (%)	26.2	27.0	24.1	27.7
Other Comprehensive Income	(233)	-	(3,357)	5,301
Total Comprehensive Income	41,329	41,910	38,337	49,962
Avg. Shares O/s (m)	12,323	12,292	12,309	12,309
EPS (Rs)	3.4	3.4	3.4	3.6

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	04-Oct-22	Accumulate	340	324
2	01-Aug-22	Accumulate	327	308
3	07-Jul-22	BUY	305	292
4	19-May-22	BUY	305	267
5	08-Apr-22	BUY	285	268
6	04-Feb-22	BUY	284	234
7	06-Jan-22	BUY	270	221
8	14-Dec-21	BUY	270	229
9	28-Oct-21	BUY	270	238

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Asian Paints	BUY	3,446	3,303
2	Avenue Supermarts	BUY	5,121	4,306
3	Britannia Industries	Hold	4,026	3,769
4	Colgate Palmolive	Accumulate	1,702	1,579
5	Dabur India	Accumulate	604	557
6	Emami	Accumulate	574	499
7	Hindustan Unilever	Accumulate	2,827	2,623
8	ITC	Accumulate	340	324
9	Jubilant FoodWorks	BUY	688	615
10	Kansai Nerolac Paints	Accumulate	558	495
11	Marico	Hold	523	527
12	Mold-tec Packaging	Accumulate	898	858
13	Nestle India	Accumulate	20,178	18,966
14	Pidilite Industries	Hold	2,691	2,656
15	Restaurant Brands Asia	Accumulate	156	132
16	Titan Company	Accumulate	2,608	2,433
17	Westlife Development	BUY	847	719

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

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