

CMP: ₹ 761

Target: ₹ 950 (25%)

Target Period: 12 months

BUY

October 21, 2022

## Maintain our positive stance on growth...

**About the stock:** Tata Consumer Products (TCPL) is one of the major FMCG companies present in tea, coffee & other beverages in India, UK, US, Canada and some other geographies. In India, it also has salt, pulses, spices and other food products. Its subsidiary NourishCo is present in packaged water & other beverages. The company is in JV with Starbucks, which has 300 stores in India.

- The company has 2000+ distribution directly reaching to 1.4 million outlets in India. This will be increased to 1.5 million outlets by March 2023
- TCPL also increased its rural/ semi urban distributors 4x to 8000+ after the consolidation of the consumer business

**Q2FY23 Results:** TCPL reported 10.9% pricing led sales growth

- Sales were up 10.9% YoY backed by 29% growth in foods business
- EBITDA was at ₹ 433.8 crore, up 5% YoY, with margins at 12.9%
- Consequent adjusted PAT was at ₹ 307.5 crore (up 3.2% YoY)

**What should investors do?** TCPL's share price has moved up 3.5x in the last five years (from ₹ 220 in October 2017 to 761 in October 2022)

- We continue to remain positive on TCPL's strategy of driving premium trend in foods business and foray in large opportunity size categories
- We maintain our **BUY** rating on the stock

**Target Price and Valuation:** We value the stock at ₹ 950 on ascribing 55x FY24 earnings multiple.

**Key triggers for future price performance:**

- The company is leveraging the Tata brand by foraying in ready to eat (RTE), snacks, water, ready to drink (RTD) & multiple other staple categories, where the opportunity to convert unorganised/local brand consumption to strong organised brand is immense
- Strong innovation & premiumisation strategy in salt, tea, Sampann and Souful in the India market is expected to drive margins. Newer categories like pulses, spices, dry fruits & healthier mini meals to drive volume growth
- Starbucks is witnessing robust store addition along with improvement in operating profits. Likely to drive profitability in future

**Alternate Stock Idea:** We also like Dabur in our FMCG coverage.

- Shift in consumption towards healthier, natural & Ayurveda based products & aggressive foray in many big categories would drive growth
- Value the business at 55x FY24 earnings. BUY with a TP of ₹ 700

### TATA CONSUMER PRODUCTS

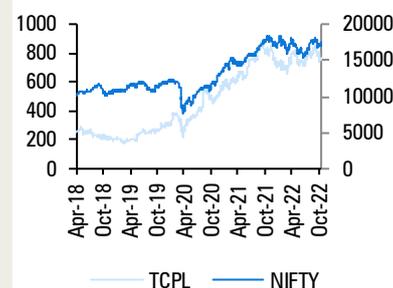
#### Particulars

Particulars (₹ crore)	Amount
Market Capitalization	70,168.8
Total Debt (FY22)	1,454.6
Cash and Investments (FY22)	2,797.9
EV	68,825.5
52 week H/L (₹)	861 / 650
Equity capital	92.2
Face value (₹)	1.0

#### Shareholding pattern

(in %)	Sep-21	Dec-21	Mar-22	Jun-22
Promoter	34.7	34.7	34.7	34.7
FII	25.9	25.6	25.4	25.3
DII	13.3	13.2	13.7	14.0
Others	26.1	26.5	26.2	26.0

#### Price Chart



#### Recent event & key risks

- TCPL gained value market share in salt by 128 bps whereas it lost MS by 20 bps in tea
- Key Risk:** (i) Persistent Inflation in & adverse currency movement can continue to impact margins, (ii) High competitive intensity

#### Research Analyst

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### Key Financial Summary

Key Financials	FY20	FY21	FY22	5 Year CAGR (FY17 - FY22)	FY23E	FY24E	CAGR (FY22-24E)
Net Sales	9637.4	11602.0	12425.4	12.9%	13783.9	15213.3	10.7%
EBITDA	1292.2	1543.8	1718.8	16.8%	1910.6	2284.2	15.3%
EBITDA Margin %	13.4	13.3	13.8		13.9	15.0	
Adjusted Net Profit	641.8	932.6	1015.2	17.4%	1282.6	1578.3	24.7%
EPS (₹)	5.0	10.1	11.0	8.9%	13.9	17.1	24.7%
P/E	152.5	75.4	69.1		54.7	44.5	
RoNW %	4.6	6.4	7.0		8.2	9.7	
RoCE (%)	6.9	8.0	8.4		9.2	10.8	

Source: Company, ICICI Direct Research

## Key takeaways of recent quarter

### Q2FY23 Results: Currency volatility, inflationary trends in international business weigh on margins

- Revenue witnessed growth of 10.9% to ₹ 3363.1 crore led by 29% growth in India foods business, 39% constant currency growth in Tata Coffee (plantation & extraction) & 16% constant currency growth in the US coffee business
- India's packaged beverage (largely tea) business witnessed 7% revenue decline with 6% cut in prices & 1% volume dip. The company lost value market share by 20 bps in India tea but gained volume market share of 46 bps
- The volume in the tea business has been particularly lagging in rural, semi urban & North India (Hindi speaking states). India coffee business witnessed growth of 39% in Q2 (contributes very little to sales)
- India packaged beverage business continued to see margin expansion. However, benefit of benign tea prices is slowly waning given a small increase in tea procurement price in 2022-23 season. Premium product portfolio in tea (Chakra, Tata Tea Gold, Chakra Care, Gold Care) continues to perform better than base portfolio. Premium brand TTG care is contributing 4.8% to TTG sales
- NorishCo continued its growth momentum with 64% sales growth to ₹ 138 crore on a relatively low base. Himalayan brand sales grew 72% and remains a profitable brand. It is witnessing good traction in newly launched Himalayan honey & preserves
- India foods business sales growth of 29% was entirely contributed by prices given very high inflation in salt prices due to high energy costs. With the 27% sales growth in salt business, the company gained market share by 128 bps. TCPL has taken 33% price hikes in salt in last one year
- In the India foods business, Tata Sampann portfolio saw 37% growth led by strong performance across pulses, poha & Spices. Tata Sampann Dry fruits scaling up with strong market share gain in e-commerce platforms. Newly launched Tata Soulful Masala Oats started well in key channels
- Tata Sampann expanded its product portfolio by launching Asafoetida (Hing). It also launched Tata tea Saffron in premium tea offering, Tata Sampann Shahi Besan Plus & Tata Soulfull Millet Muesli. The company also launched 'Tata GOFIT' in protein supplement category
- The company rebranded 'Tata Q' RTE product portfolio to 'Tata Sampann Yumside' in India & 'Tata Raasa' in international markets
- International tea business revenue was flat with 4% volume decline. The business was adversely impacted by 7% revenue decline in UK with Teapigs brand revenue declining as much as 16%. This is mainly due to category decline on the back of high inflation. UK tea business margin was adversely impacted by inflation and currency depreciation
- Canada business sales in international tea business continued to witness strong 16% growth entirely led by pricing given high inflation is taking a toll on volumes. It maintained market share of 27.3% in tea category in Canada
- US coffee business also saw 16% constant currency revenue growth. Tea business sales in the US have grown at 9% led by Teapigs & Tetley. The company holds 4.4% market share in Coffee Bags in the US
- Tata coffee plantation & extraction business witnessed 39% growth led by higher coffee & pepper prices. Moreover, extraction business capacity utilisation was at its peak in Vietnam & India

- Innovation (product launched in the last three years) witnessed growth of 50% in Q2FY23. NPD contribution to sales would be ~3.5-4.0 in FY23
- Gross margins contracted 101 bps due to high inflationary trend in international business with adverse currency movement impact. Moreover, benefits of lower tea prices are also waning. Extremely high inflation in salt is also impacting margins
- Though the company has taken price hikes to mitigate inflationary & adverse currency trend in UK, it takes 90 days to get impacted due to liquidation of trade inventory. This would reflect in margins from Q4FY23 onwards
- UK business tea is procured from Africa in US\$ denomination. Conversion and translation impact of currency has adversely impacted margin for the business
- Employee & marketing spends were down 29 bps & 54 bps, respectively. However, overhead spends were up 54 bps. Operating profit grew 5% to ₹ 433.8 crore with operating margin contraction of 73 bps to 12.9%
- Net profit grew 36.3% to ₹ 389.4 crore mainly on account of exceptional income of ₹ 111.2 crore relating to the sales of property. Adjusting for exceptional income, net profit grew 3.2% to ₹ 307.5 crore. Profit from associates grew 41.1% on account of higher income from tea plantation associate company & strong performance from Starbucks JV
- Starbucks JV saw strong 57% growth during the quarter with continued profit at EBIT level. The company opened 25 stores in Q2 taking the total number of stores to 300 in 36 cities
- The company has expanded its direct distribution reach to 1.4 million outlets by September 2022 (1.3 million in March 2022). Modern trade channel sales saw 18% growth whereas e-commerce channel sales continue to grow strong at 40%. E-commerce channels sales contribute 9.2% to sales whereas NPD on e-commerce channels contributes 11% to sales
- The restructuring of UK business & Tata Coffee merger would be EPS accretive by 3-4%

**Exhibit 1: Peer Comparison**

Sector / Company	CMP			M Cap (₹ Cr)	Sales growth (%)			EBITDA Margins (%)			P/E(x)			RoE (%)			RoCE (%)		
	₹	₹	Rating		FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E
ITC Limited (ITC)	346	405	Buy	429858	23.1	19.4	6.8	32.0	32.5	35.5	27.9	24.3	20.7	24.5	27.1	29.7	31.4	35.3	38.8
Zydus Wellness (ZYDWEL)	1702	2100	Buy	10254	7.6	12.4	10.5	17.2	18.1	19.7	35.1	29.6	24.0	6.4	7.3	8.7	6.1	7.1	8.4
Nestle (NESIND)	20295	22400	Hold	190912	10.2	14.3	10.5	24.5	22.3	24.1	91.2	79.3	67.4	111.3	103.6	110.3	58.7	57.1	63.0
Varun Beverage (VARBEV)	1013	1100	Buy	60171	36.8	39.8	12.8	18.8	20.8	20.5	58.8	49.2	43.4	18.3	26.3	25.3	17.1	28.1	30.8
Tata Consumer Products (TAT)	761	950	Buy	70169	7.1	10.9	10.4	13.8	13.9	15.0	69.1	54.7	44.5	7.0	8.2	9.7	8.4	9.2	10.8

Source: Company, ICICI Direct Research

Tata Consumer remains our top pick in the sector given strong growth opportunity in the foods & beverage business & its aggressive strategy of foraying, acquiring newer large opportunity size categories. We believe the company would be able to tap the opportunity in categories like pulses, spices, dry fruits, RTE & beverages. These categories are dominated by the unorganised sector or local brands. Though the current quarter has seen margin contraction due to high inflation in international business & adverse currency movement, we believe these headwinds are temporary. With the softening of commodity prices, we believe margins would perk up in medium term. **We remain positive on growth prospects given possibility of leveraging Tata brands in multiple newer categories.** We maintain our BUY recommendation and target price of ₹ 950/share.

Exhibit 2: Variance Analysis

	Q2FY23	Q2FY23E	Q2FY22	YoY (%)	Q1FY23	QoQ (%)	Comments
Net Sales	3,363.1	3,384.0	3,033.1	10.9	3,326.8	1.1	Revenue grew 10.9% led by entirely pricing growth. Volume declined during the quarter
Raw Material Expenses	1,959.2	1,929.6	1,736.3	12.8	1,909.1	2.6	Gross margins contracted by 101 bps on account of inflationary trend and unprecedented currency movement in international business. Moreover, India business also saw waning benefits of benign tea prices and high inflation in salt manufacturing
Employee Expenses	273.8	278.5	255.6	7.1	277.4	-1.3	Employee spends were down by 29 bps (as % to sales)
SG&A Expenses	216.9	226.7	211.9	2.4	211.6	2.5	Marketing spends were down by 54 bps (as % to sales)
Other operating Expenses	479.3	464.2	416.0	15.2	471.4	1.7	Overhead spends were up 54 bps (% to sales)
EBITDA	433.8	485.0	413.3	5.0	457.3	-5.1	
EBITDA Margin (%)	12.9	14.3	13.6	-73 bps	13.7	-85 bps	Operating margins contracted 73 bps due to pressure on gross margins
Depreciation	73.1	70.3	69.3	5.5	72.9	0.3	
Interest	19.6	15.3	19.8	-1.2	16.3	20.2	
Other Income	29.3	36.8	39.6	-26.0	35.3	-17.1	
Exceptional Expense/(Income)	-111.2	0.0	16.3	NA	24.0	NA	Tata Coffee sold disputed land parcel in Hyderabad resulting in extraordinary income ₹ 111.2 crore
PBT	481.7	436.1	347.5	38.6	379.5	26.9	
Tax Outgo	126.7	113.4	86.1	47.1	103.0	23.0	
PAT before MI	355.0	322.7	261.4	35.8	276.5	28.4	
Profit from Associates	34.5	36.6	24.4	41.1	0.2	NC	With seasonal profitability in tea plantation and strong performance of Starbucks JV, profit from associates grew by 24.4%
PAT	389.4	359.3	285.8	36.3	276.7	40.7	
Adj PAT	307.5	359.3	298.1	3.2	294.2	4.5	Adjusted net profit grew below expectation due to adverse margins in international business

Source: Company, ICICI Direct Research

Exhibit 3: Change in estimates

₹ Crore)	FY23E			FY24E			Comments
	Old	New	% Change	Old	New	% Change	
Sales	13,956.8	13,783.9	-1.2	15393.20	15,213.3	-1.2	We slightly reduce our revenue estimates factoring in slower sales growth in India tea business
EBITDA	2,035.2	1,910.6	-6.1	2,376.8	2,284.2	-3.9	
EBITDA Mar	14.6	13.9	-72 bps	15.4	15.0	-43 bps	We also cut our operating margin estimate considering adverse margins in international territories
PAT	1,335.8	1,282.6	-4.0	1,600.5	1,578.3	-1.4	
EPS (₹)	14.5	13.9	-4.0	17.4	17.1	-1.6	We increase our estimates for profits from associates given strong performance on Starbucks JV

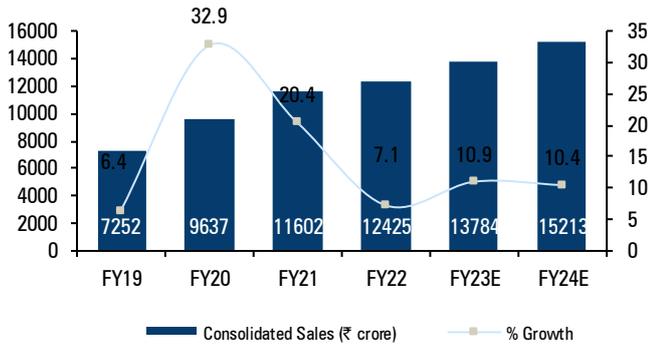
Source: ICICI Direct Research

Exhibit 4: Assumptions

Segmental Revenues (Gross)	Current						Earlier		Comment
	FY19	FY20	FY21	FY22	FY23E	FY24E	FY23E	FY24E	
Tea / India Beverage	3,167.7	3,376.9	4,600.7	5,001.0	5,201.0	5,617.1	5,501.1	5,941.2	
Coffee / International Bevergae	3,238.4	3,226.0	3,469.3	3,335.0	3,535.1	3,747.2	3,535.1	3,747.2	We cut our estimates for India tea business considering slower volume growth in tea business
TCL Consumer / India Foods			2,441.7	2,913.0	3,612.1	4,262.3	3,553.9	4,193.6	
No. of Starbucks stores	146	185	221	268	328	378	318.0	368.0	We raise our store addition estimates for Starbucks JV considering aggressive store expansion in FY23

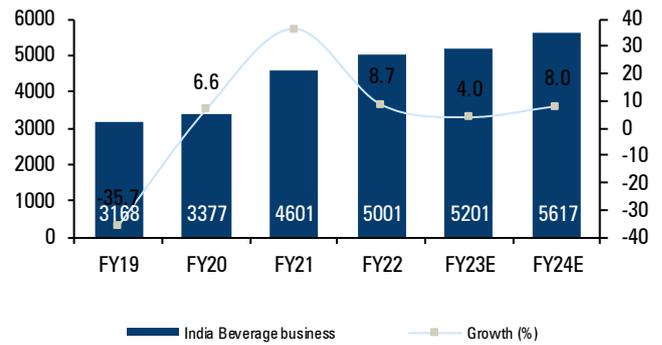
Source: ICICI Direct Research

Exhibit 5: Consolidated revenue to grow at 10.7% in FY22-24E



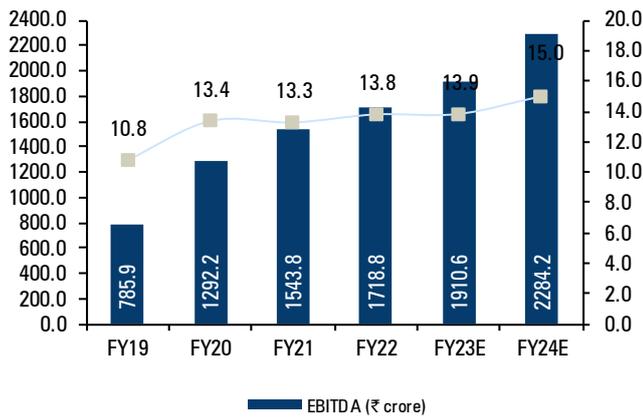
Source: ICICI Direct Research, Company

Exhibit 6: India beverage business sales trend



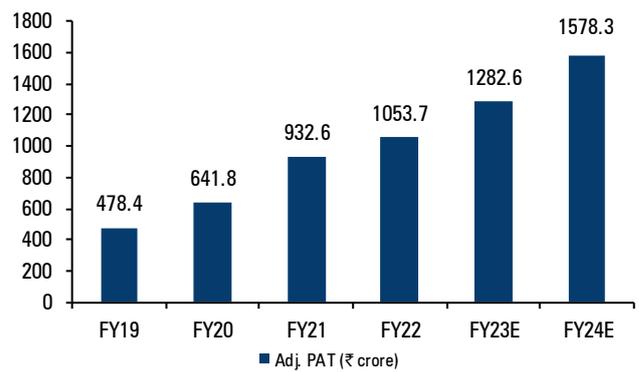
Source: ICICI Direct Research, Company  
\*FY19 onwards segment reporting has changed from tea to India Beverage

Exhibit 7: Operating margins trend (%)



Source: Company, ICICI Direct Research

Exhibit 8: Adjusted PAT growth trends



Source: Company, ICICI Direct Research

Exhibit 9: Valuation

	Sales (₹ cr)	Growth (%)	EPS (₹)	Growth (%)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
FY21	11602.0	20.4	10.1	102.2	75.4	44.6	6.4	8.0
FY22	12425.4	7.1	11.0	9.1	69.1	40.5	7.0	8.4
FY23E	13783.9	10.9	13.9	26.3	54.7	35.5	8.2	9.2
FY24E	15213.3	10.4	17.1	23.0	44.5	29.6	9.7	10.8

Source: Company, ICICI Direct Research

## Financial Summary

Exhibit 10: Profit and loss statement				
	₹ crore			
(Year-end March)	FY21	FY22	FY23E	FY24E
<b>Total Operating Income</b>	<b>11602.0</b>	<b>12425.4</b>	<b>13783.9</b>	<b>15213.3</b>
Growth (%)	20.4	7.1	10.9	10.4
Raw Material Expenses	6,902.3	7,084.0	7,880.3	8,448.2
Employee Expenses	970.2	1,048.0	1,160.6	1,265.0
Marketing Expenses	726.3	841.0	898.1	1,097.4
Administrative Expenses	0.0	0.0	0.0	0.0
Other expenses	1,459.5	1,733.6	1,934.3	2,118.5
Total Operating Expenditure	10,058.3	10,706.6	11,873.3	12,929.1
<b>EBITDA</b>	<b>1543.8</b>	<b>1718.8</b>	<b>1910.6</b>	<b>2284.2</b>
Growth (%)	19.5	11.3	11.2	19.6
Depreciation	254.7	278.0	281.4	285.0
Interest	68.7	72.8	51.7	42.4
Other Income	121.4	140.1	147.1	154.4
PBT	1,341.7	1,508.1	1,724.7	2,111.3
Exceptional items	-30.7	-52.1	0.0	0.0
Total Tax	317.3	377.0	448.4	548.9
<b>PAT</b>	<b>930.5</b>	<b>1015.2</b>	<b>1282.6</b>	<b>1578.3</b>
Growth (%)	102.2	9.1	26.3	23.0
EPS (₹)	10.1	11.4	13.9	17.1

Source: Company, ICICI Direct Research

Exhibit 11: Cash flow statement				
	₹ crore			
(Year-end March)	FY21	FY22	FY23E	FY24E
Profit/Loss after Tax	1204.6	1220.7	1282.6	1578.3
Add: Depreciation	254.7	278.0	281.4	285.0
Add: Interest	68.7	72.8	51.7	42.4
(Inc)/dec in Current Assets	-347.3	-149.7	-480.1	-634.4
Inc/(dec) in Current Liabilities	530.7	152.0	-944.5	231.1
<b>CF from operating activities</b>	<b>1656.4</b>	<b>1515.8</b>	<b>191.1</b>	<b>1502.3</b>
(Inc)/dec in Investments	-55.3	-86.0	-12.4	-12.8
(Inc)/dec in Fixed Assets	-179.2	-246.1	-2,933.9	-100.0
Others	-173.9	-989.8	5,174.0	45.7
<b>CF from investing activities</b>	<b>-408.4</b>	<b>-1321.8</b>	<b>2227.7</b>	<b>-67.1</b>
Issue/(Buy back) of Equity	0.0	0.0	0.0	0.0
Inc/(dec) in loan funds	-369.7	-945.7	-40.0	-40.0
Dividend paid & dividend tax	-65.4	-62.5	-767.6	-986.9
Inc/(dec) in Sec. premium	0.0	0.0	0.0	0.0
Others	9.1	13.4	-51.7	-42.4
<b>CF from financing activities</b>	<b>-426.0</b>	<b>-994.8</b>	<b>-859.3</b>	<b>-1069.4</b>
Net Cash flow	821.9	-800.8	1,559.4	365.9
Opening Cash	889.3	1,773.2	977.1	2,536.5
<b>Closing Cash</b>	<b>2042.0</b>	<b>1498.0</b>	<b>3057.4</b>	<b>3423.2</b>

Source: Company, ICICI Direct Research

Exhibit 12: Balance Sheet				
	₹ crore			
(Year-end March)	FY21	FY22E	FY23E	FY24E
<b>Liabilities</b>				
Equity Capital	92.2	92.2	92.2	92.2
Reserve and Surplus	14,442.3	15,049.8	15,564.8	16,156.1
Total Shareholders funds	14,534.5	15,141.9	15,656.9	16,248.3
Long Term Borrowings	756.9	685.9	645.9	605.9
Long Term Provisions	192.5	175.6	441.1	486.8
Other Non-current Liabilities	1677.6	1941.5	1941.5	1941.5
<b>Total Liabilities</b>	<b>17161.4</b>	<b>17945.0</b>	<b>18685.5</b>	<b>19282.6</b>
<b>Assets</b>				
Gross Block	7,615.5	7,715.5	7,815.5	7,915.5
Less: Acc Depreciation	2,727.5	3,005.5	3,286.9	3,571.8
Net Block	1,642.3	1,876.1	4,528.6	4,343.7
Capital WIP	112.9	247.0	247.0	247.0
Goodwill	10380.9	10508.5	5600.0	5600.0
Non Current Investments	579.5	863.7	876.2	889.0
LT Loans & Advances/Others	491.7	486.6	486.6	486.6
<b>Current Assets</b>				
Inventory	2,249.2	2,266.5	3,398.8	3,751.2
Debtors	761.3	835.2	1,510.6	1,667.2
Cash	2,042.0	1,498.0	3,057.4	3,423.2
Loans & Advances	1,541.2	1,959.9	906.3	1,000.3
Other Current Assets	116.4	184.3	302.1	333.4
<b>Current Liabilities</b>				
Creditors	1625.5	1915.9	944.1	1042.0
Provisions	101.7	73.2	226.6	250.1
Short Term Borrowings	433.1	768.7	604.2	666.9
Other CL	934.2	414.8	453.2	500.2
Net Current Assets	3,954.2	3,963.1	6,947.1	7,716.3
<b>Total Assets</b>	<b>17161.4</b>	<b>17945.0</b>	<b>18685.5</b>	<b>19282.6</b>

Source: Company, ICICI Direct Research

Exhibit 13: Key ratios				
(Year-end March)	FY21	FY22	FY23E	FY24E
<b>Per share data (₹)</b>				
EPS	10.1	11.0	13.9	17.1
Cash EPS	12.9	14.0	17.0	20.2
BV	157.7	164.3	169.9	176.3
DPS	4.0	5.5	7.0	9.0
Cash Per Share	22.2	16.3	33.2	37.1
<b>Operating Ratios (%)</b>				
EBITDA Margin	13.3	13.8	13.9	15.0
PBT / Net Sales	11.6	12.1	12.5	13.9
PAT Margin	8.0	8.2	9.3	10.4
Inventory days	70.8	66.6	90.0	90.0
Debtor days	24.0	24.5	40.0	40.0
Creditor days	51.1	56.3	25.0	25.0
<b>Return Ratios (%)</b>				
RoE	6.4	7.0	8.2	9.7
RoCE	8.0	8.4	9.2	10.8
RoIC	18.2	18.0	17.2	20.5
<b>Valuation Ratios (x)</b>				
P/E	75.4	69.1	54.7	44.5
EV / EBITDA	44.6	40.5	35.5	29.6
EV / Net Sales	5.9	5.6	4.9	4.4
Market Cap / Sales	6.0	5.6	5.1	4.6
Price to Book Value	4.8	4.6	4.5	4.3
<b>Solvency Ratios</b>				
Debt/EBITDA	0.8	0.8	0.7	0.6
Debt / Equity	0.1	0.1	0.1	0.1
Current Ratio	1.8	2.2	3.8	3.8
Quick Ratio	0.9	1.2	1.7	1.7

Source: Company, ICICI Direct Research

Exhibit 14: ICICI Direct coverage universe (FMCG)

	CMP	TP	M Cap	EPS (₹)			P/E (x)			Price/Sales (x)			RoCE (%)			RoE (%)			
	(₹)	(₹) Rating		(₹ Cr)	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E
Colgate (COLPAL)	1,587	1,610	Hold	43,606	39.6	38.6	42.3	40.0	41.1	37.5	8.6	8.2	7.5	77.8	82.6	92.7	62.2	62.9	70.8
Dabur India (DABIND)	538	700	Buy	1,01,458	9.9	11.2	12.8	54.6	48.1	41.9	9.3	8.3	7.5	24.9	25.2	26.7	20.8	21.9	22.7
Hindustan Unilever (HINLEV)	2,654	2,700	Hold	6,10,844	37.5	40.9	44.8	70.7	64.9	59.2	12.1	10.8	10.1	20.2	22.5	24.6	18.1	19.7	21.5
ITC Limited (ITC)	346	405	Buy	4,29,858	12.4	14.2	16.7	27.9	24.3	20.7	7.3	6.1	5.7	31.4	35.3	38.8	24.5	27.1	29.7
Jyothy Lab (JYOLAB)	197	145	Hold	6,077	4.3	5.6	6.4	46.3	35.2	31.0	2.8	2.5	2.3	18.7	24.2	27.7	16.6	21.2	23.8
Marico (MARLIM)	519	515	Hold	67,645	9.7	10.3	11.4	53.4	50.4	45.5	7.1	7.0	6.4	41.2	43.8	47.0	37.5	38.5	41.2
Nestle (NESIND)	20,295	22,400	Hold	1,90,912	222.4	255.8	301.1	91.2	79.3	67.4	13.0	11.4	10.3	58.7	57.1	63.0	111.3	103.6	110.3
Patanjali Foods (RUCSOY)	1,421	1,750	Buy	50,721	27.3	30.9	43.5	52.1	46.0	32.7	2.1	1.7	1.5	13.2	15.6	17.3	13.1	11.3	14.2
Tata Consumer Products (TAT)	761	950	Buy	70,169	11.0	13.9	17.1	69.1	54.7	44.5	5.6	5.1	4.6	8.4	9.2	10.8	7.0	8.2	9.7
Varun Beverage (VARBEV)	1,013	1,100	Buy	60,171	17.2	20.6	23.4	58.8	49.2	43.4	6.8	4.9	4.3	17.1	28.1	30.8	18.3	26.3	25.3
VST Industries (VSTIND)	3,563	3,425	Hold	4,937	207.4	229.3	252.9	17.2	15.5	14.1	4.2	3.8	3.5	39.2	44.6	50.6	30.0	33.4	37.8
Zydus Wellness (ZYDWEL)	1,702	2,100	Buy	10,254	48.5	57.5	71.0	35.1	29.6	24.0	5.1	4.5	4.1	6.1	7.1	8.4	6.4	7.3	8.7

Source: Bloomberg, ICICI Direct Research

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Buy: >15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%



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