Prabhudas Lilladher
POWERING YOUR FINANCIAL GROWTH

August 1, 2024

Q1FY25 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY25E	FY26E	FY25E	FY26E
Rating	ACCUMULATE		ACCUMULATE	
Target Price	519		491	
Sales (Rs. m)	7,11,310	7,68,312	7,15,670	7,73,618
% Chng.	*(0.6)*	*(0.7)*		
EBITDA (Rs. m)	2,67,457	2,90,086	2,69,853	2,92,092
% Chng.	*(0.9)*	*(0.7)*		
EPS (Rs.)	17.3	18.7	17.6	18.8
% Chng.	*(1.8)*	*(0.7)*		

Key Financials - Standalone

Y/e Mar	FY23	FY24	FY25E	FY26E
Sales (Rs. bn)	660	654	711	768
EBITDA (Rs. bn)	239	245	267	290
Margin (%)	*36.3*	*37.4*	*37.6*	*37.8*
PAT (Rs. bn)	187	204	216	234
EPS (Rs.)	15.0	16.4	17.3	18.7
Gr. (%)	*23.0*	*8.9*	*5.6*	*8.3*
DPS (Rs.)	15.4	13.8	14.5	15.5
Yield (%)	*3.1*	*2.8*	*2.9*	*3.1*
RoE (%)	*29.0*	*29.2*	*29.7*	*31.0*
RoCE (%)	*34.5*	*32.7*	*34.3*	*35.9*
EV/Sales (x)	9.0	9.1	8.4	7.8
EV/EBITDA (x)	24.8	24.4	22.3	20.5
PE (x)	32.8	30.2	28.6	26.4
P/BV (x)	9.1	8.5	8.5	7.9

Key Data	ITC.BO | ITC IN
52-W High / Low	Rs.511 / Rs.399
Sensex / Nifty	81,868 / 25,011
Market Cap	Rs.6,169bn/ $ 73,681m
Shares Outstanding	12,496m
3M Avg. Daily Value	Rs.8068.77m

Shareholding Pattern (%)

Promoter's	-
Foreign	13.64
Domestic Institution	40.46
Public & Others	44.00
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	15.1	11.5	6.2
Relative	11.7	(2.4)	(13.8)

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ITC (ITC IN)

Rating: ACCUMULATE | CMP: Rs494 | TP: Rs519

Demand outlook positive, margins bottomed out

Quick Pointers:

- Cig volumes up ~2.5%, FMCG sales grow 6.3% amid muted environment, Hotels perform well despite fewer wedding dates & extreme heatwaves
- Paper profitability has bottomed out as global pulp prices show strength

ITC EBIDTA grew by 0.7% as margins across Paperboard and Agri dragged overall performance despite 7% Cigarette EBIT growth. FMCG business suffered as low paper prices resulted in local competition in Stationary business while heat wave affected sales of Juices, Instant Noodles and snacks. Demand scenario remains positive with expected recovery in demand for both cigarettes and FMCG. We expect ~4% cigarette volume growth in FY25/26 in a steady state given stable taxation and sustained innovations and distribution led gains. Although Hotels have, a high, base, expect better performance in balance year due to sustained demand. We believe paper margins have bottomed out and expect recovery to set in from 2H. Agri business margins will expand in 2H25 only as higher leaf tobacco get absorbed in the product prices.

We cut our FY 25/26 estimates by 1.8%/0.7% & estimate 6.9% EPS CAGR over FY24-26 given marginal improvement in Other Income & pressure in Paper and Agri margins. ITC trades at 26.4x FY26 EPS with ROE/ROCE of 31/41.2% and ~75%+ dividend payout. We assign SOTP based target price of Rs519 (Rs491 earlier) as we roll forward to June26 and increase multiples for cigarettes and FMCG business. Retain Accumulate

1Q Revenue up 7.4%: Revenues grew by 7.4% YoY to Rs170bn (PLe: Rs166.9bn) EBITDA grew by 0.7% YoY to Rs63bn (PLe: Rs 65bn); Margins contracted by 245bps YoY to 37% (PLe:39%), other income was flattish. Adj. PAT grew by 0.4% YoY to Rs49.2bn (PLe: Rs51.7bn) We estimate cigarette volume growth at ~2.5%.

1QFY25 Segment Wise Performance

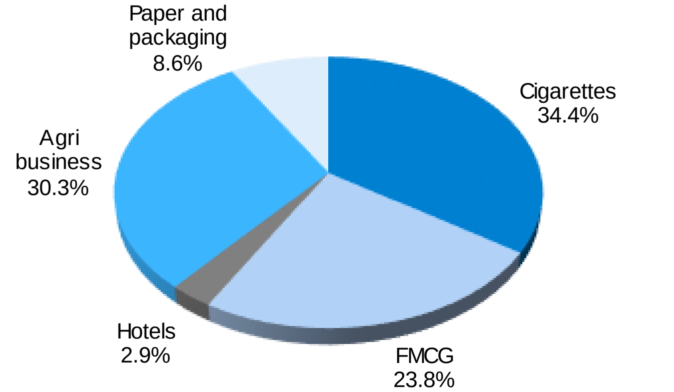
- Cigarette volumes grew ~2.5%. Revenues grew by 6.1% YoY to Rs79.2bn; EBIT grew by 7% YoY to 49.6bn. Margins expanded by 27bps YoY to 62.6%
- FMCG Revenues grew by 6.3% YoY to Rs54.9bn; EBIT grew by 10% YoY to 4.8bn. Margins expanded by 33bps YoY to 8.7%
- Hotels Revenues grew by 10.9% YoY to Rs6.7bn; EBIT grew by 12% YoY to 1.5bn. Margins expanded by 13bps YoY to 22%
- Agri Revenues grew by 22.2% YoY to Rs69.7bn; EBIT was flat at 3.6bn. Margins contracted by 114bps YoY to 5.1%
- Paperboard & Paper Revenues declined by 6.8% YoY to Rs19.8bn; EBIT de-grew by 45% YoY to 2.6bn. Margins contracted by 906bps YoY to 13.2%.

Exhibit 1: 1QFY25 Result Overview: Net Sales up 7.4%, Adj. PAT up 0.4%

Y/e March	Q1FY25	Q1FY24	*YoY gr. (%)*	Q4FY24	FY24	FY23	*YoY gr. (%)*
Net Sales	**1,70,001**	**1,58,282**	***7.4***	**1,65,793**	**6,54,408**	**6,60,433**	***(0.9)***
Gross profit	85,920	82,454	*4.2*	87,528	3,37,942	3,29,551	*2.5*
Margins	*50.5*	*52.1*	*(1.55)*	*52.8*	*51.6*	*49.9*	*1.7*
Other Exp	22,965	19,953	*15.1*	25,901	93,156	90,106	*3.4*
EBITDA	**62,955**	**62,501**	***0.7***	**61,626**	**2,44,786**	**2,39,445**	***2.2***
Margins (%)	*37.0*	*39.5*	*(2.5)*	*37.2*	*37.4*	*36.3*	*1.1*
Depreciation	4,309	4,025	*7.0*	4,154	16,478	16,627	*(0.9)*
Interest	111.4	107.2	*3.9*	121.2	457.3	418.1	*9.4*
Other Income	7,013	7,087	*(1.1)*	7,986	35,383	24,376	*45.2*
PBT	**65,547**	**65,456**	***0.1***	**65,338**	**2,63,233**	**2,46,775**	***6.7***
Tax	16,343	16,429	*(0.5)*	15,115	58,938	59,971	*(1.7)*
Rate (%)	*24.9*	*25.1*	*(0.2)*	*23.1*	*22.4*	*24.3*	*(1.9)*
Adjusted PAT	**49,205**	**49,027**	***0.4***	**50,223**	**2,04,295**	**1,86,804**	***9.4***

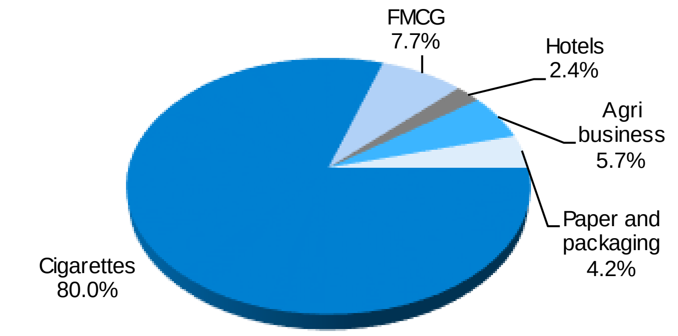
Source: Company, PL

Exhibit 2: Sales Mix: Cigarettes 34.4%, FMCG 23.8%



Source: Company, PL

Exhibit 3: Cigarettes contribute 80% of EBIT



Source: Company, PL

Exhibit 4: SOTP on FY27- cigarette account of 56% of value

SOTP	Basis	X	EV (Rs mn)	PAT (Rs mn)	% of PAT	EPS (Rs)	Value/Share
Cigarettes	P/E	23		159970	68.3	12.8	294
FMCG - Others	EV/Sales	5.5	1440329	20760	8.9	1.7	115
Hotels	EV/EBIDTA	25	3,12,960	6733	2.9	0.5	25
Agri business	P/E	15		14122	6.0	1.1	17
Paper and packaging	P/E	14		14697	6.3	1.2	16
ITC Infotech	P/E	20		7207		0.6	12
Business Value						17.3	479
Cash and Invst			390847				31
Total Value/share							**511**

Source: PL

Commodity prices were largely stable during the quarter compared to the base period, certain items such as sugar, potato, choco cream and edible oil witnessed sequential uptick in prices.

Staples, Biscuits, Snacks, Dairy, Homecare, Agarbatti drive growth

Education & stationery products witnessed heightened competitive intensity especially from regional/local players on the back of reduction in paper prices.

Competitive intensity remained high in certain categories such as Biscuits, Snacks, Noodles, popular Soaps, including from local/regional players. ITC to continue focus on premiumisation.

FMCG EBIDTA margins at 11.3% given benefits of input costs, supply chain efficiencies and scale benefits.

Paperboards remains impacted by low-priced Chinese supplies in global markets, muted domestic demand, unprecedented increase in domestic wood costs and high base effect;

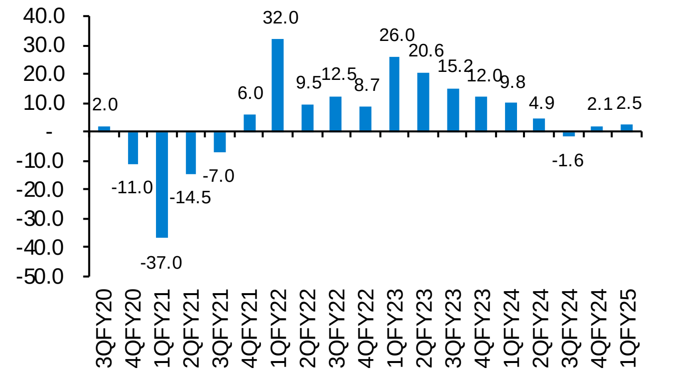
Hotels continue to make headway on higher ARR and Occupancy. Demerger likely to be completed in another 6 months

Exhibit 5: Cigarette volumes grew ~2.5%, Cigarettes margins at 62.6%

	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25
Cigarette Volume gr %	**12.0**	**9.8**	**4.9**	**-1.6**	**2.0**	**2.5**
Sales (INR m)	**1,88,821**	**2,10,576**	**1,95,995**	**1,87,355**	**1,92,965**	**2,30,247**
Cigarettes	73,558	74,653	76,577	75,488	79,248	79,181
FMCG	49,450	51,660	52,916	52,091	53,002	54,910
Hotels	7,817	6,002	6,494	8,420	8,979	6,656
Agri business	35,786	57,054	39,310	30,547	31,007	69,733
Paper and packaging	22,210	21,208	20,699	20,809	20,729	19,767
Sales growth (YoY)	**7.7**	**-1.4**	**5.0**	**2.5**	**2.2**	**9.3**
Cigarettes	14.2	13.0	10.1	3.6	**7.7**	6.1
FMCG	19.4	16.1	8.3	7.6	7.2	6.3
Hotels	100.6	8.1	21.2	18.2	14.9	10.9
Agri business	(18.0)	(23.7)	(1.7)	(2.2)	(13.4)	22.2
Paper and packaging	1.8	(6.5)	(9.5)	(9.7)	(6.7)	(6.8)
EBIT (INR m)	**61,424**	**60,466**	**60,186**	**60,248**	**61,636**	**61,990**
Cigarettes	46,891	46,561	47,817	47,281	49,233	49,596
FMCG	5,016	4,309	4,386	4,318	4,773	4,759
Hotels	1,996	1,312	1,258	2,297	2,671	1,464
Agri business	3,071	3,560	3,567	3,393	2,026	3,558
Paper and packaging	4,450	4,725	3,158	2,960	2,934	2,613
EBIT growth (YoY)	**22.6**	**11.9**	**3.6**	**(1.4)**	**0.3**	**2.5**
Cigarettes	14.0	11.2	8.0	2.3	5.0	6.5
FMCG	112.6	111.3	36.8	24.1	(4.9)	10.4
Hotels	NA	17.0	49.8	57.1	33.8	11.5
Agri business	25.9	25.3	3.3	(13.3)	(34.0)	(0.0)
Paper and packaging	(1.0)	(22.9)	(49.9)	(51.2)	(34.1)	(44.7)
EBIT Margin (%)						
Cigarettes	63.7	62.4	62.4	62.6	62.1	62.6
FMCG	10.1	8.3	8.3	8.3	9.0	8.7
Hotels	25.5	21.9	19.4	27.3	29.7	22.0
Agri business	8.6	6.2	9.1	11.1	6.5	5.1
Paper and packaging	20.0	22.3	15.3	14.2	14.2	13.2

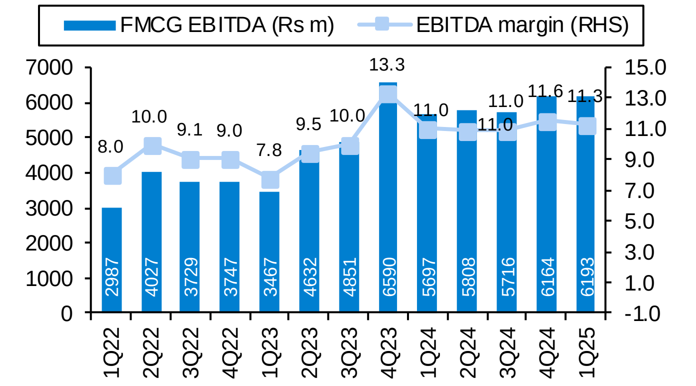
Source: Company, PL

Exhibit 6: Cigarette Volumes up ~2.5%



Source: Company, PL

Exhibit 7: FMCG margins up 30bps at 11.3%



Source: Company, PL

- **Cigarette volumes grew ~2.5%; EBIT up 6.5%:** Cigarette Revenues grew by 6.1% YoY to Rs79.2bn; EBIT grew by 7% YoY to 49.6bn. Margins expanded by 27bps YoY to 62.6%. Cigarettes Segment witnessed consolidation of volumes on a high base after a period of sustained growth momentum new offerings and premium segments in both RSFT and longs grew faster mitigating partly the impact of higher leaf tobacco prices. Relative stability in taxes, backed by deterrent actions by enforcement agencies, enables continued volume recovery from illicit trade

- **FMCG EBITDA margins up 8.7%:** FMCG Revenues grew by 6.3% YoY to Rs54.9bn; EBIT grew by 10% YoY to 4.8bn. Margins expanded by 33bps YoY to 8.7% EBITDA margin up 25bps YoY to 11.3%. Extreme heatwave adversely impacted categories with higher salience of discretionary/out-of-home consumption. The FMCG Businesses delivered resilient performance amidst muted demand conditions. Stationary business suffered due to local competition led by low paper prices. Heat wave and competition affected Instant Noodles, Bingo and Juice sales. Homecare, spices and Agarbatti grew by double digits while biscuits also did well.

- **Hotels Revenues up 10.9% YoY:** Hotels Revenues grew by 10.9% YoY to Rs6.7bn; EBIT grew by 12% YoY to 1.5bn. Margins expanded by 13bps YoY to 22%. Strong growth witnessed across properties, despite fewer wedding dates and extreme heatwave/elections affecting ITC has added 32 properties to its portfolio in the last 24 months.

- **Paperboards, Paper & Packaging:** Paperboard & Paper Revenues declined by 6.8% YoY to Rs19.8bn; EBIT de-grew by 45% YoY to 2.6bn. Margins contracted by 906bps YoY to 13.2% Segment remains impacted by low priced Chinese supplies in international markets (including India), muted domestic demand, surge in wood cost, ocean freight and high base effect. Worst seems over as gradual increase in global pulp prices can increase margins with a lag. We expect sustained margin pressure in 2Q with recovery from 3Q25.

- **Agri Business:** Agri Revenues grew by 22.2% YoY to Rs69.7bn driven by value added products, leaf tobacco & wheat; EBIT remained flat at 3.6bn. Margins contracted by 114bps YoY to 5.1%. Leaf tobacco exports did well in sales, margin were under pressure due to sharp increase in domestic leaf prices. ITC delivered strong growth in exports of Spices & Coffee.

Exhibit 8: Cigarettes and FMCG to drive growth over FY23-26

	FY21	FY22	FY23	FY24	FY25E	FY26E
Net Sales (Rs m)						
Cigarettes	1,73,976	2,00,748	2,41,527	2,59,770	2,74,129	2,87,945
FMCG	1,47,086	1,59,648	1,90,815	2,10,479	2,32,375	2,61,878
Hotel	6,236	12,793	25,732	29,944	32,167	33,654
Agri	1,25,822	1,61,961	1,81,723	1,62,059	1,78,089	1,96,898
Paper and Paperboard	56,186	76,416	90,814	80,627	89,908	97,333
Sales Growth (%)						
Cigarettes	(13.6)	15.4	20.3	7.6	5.5	5.0
FMCG	14.8	8.5	19.5	10.3	10.4	12.7
Hotel	(65.8)	105.2	101.1	16.4	7.4	4.6
Agri	22.9	28.7	12.2	(10.8)	9.9	10.6
Paper and Paperboard	(8.0)	36.0	18.8	(11.2)	11.5	8.3
EBIT (Rs m)						
Cigarettes	1,27,204	1,48,691	1,79,271	1,89,329	2,00,434	2,11,881
FMCG	8,327	9,232	13,742	17,891	22,076	27,497
Hotel	-5,349	-1,831	5,419	7,546	8,363	8,918
Agri	8,207	10,312	13,277	12,803	15,672	18,705
Paper and Paperboard	10,987	17,000	22,940	13,303	16,183	19,467
EBIT Margin (%)						
Cigarettes	62.6	63.4	63.6	62.4	62.6	63.0
FMCG	5.7	5.8	7.2	8.5	9.5	10.5
Hotel	-85.8	-14.3	21.1	25.2	26.0	26.5
Agri	6.5	6.4	7.3	7.9	8.8	9.5
Paper and Paperboard	19.6	22.2	25.3	16.5	18.0	20.0
EBIT Growth (%)						
Cigarettes	-14.4	16.9	20.6	5.6	5.9	5.7
FMCG	96.8	10.9	48.8	30.2	23.4	24.6
Hotel	-439.1	-65.8	-396.0	39.2	10.8	6.6
Agri	4.0	25.6	28.8	-3.6	22.4	19.4
Paper and Paperboard	-15.8	54.7	34.9	-42.0	21.6	20.3

Source: Company, PL

Exhibit 9: Phased Hotel openings over the next few quarters

Source: PL, Company

Exhibit 10: Innovation-led launches in FMCG business

Source: PL, Company

Financials

Income Statement (Rs m)

Y/e Mar	FY23	FY24	FY25E	FY26E
Net Revenues	**6,60,433**	**6,54,408**	**7,11,310**	**7,68,312**
YoY gr. (%)	*17.2*	*(0.9)*	*8.7*	*8.0*
Cost of Goods Sold	2,88,802	2,69,821	3,03,088	3,28,370
Gross Profit	3,71,631	3,84,587	4,08,222	4,39,942
Margin (%)	*56.3*	*58.8*	*57.4*	*57.3*
Employee Cost	35,695	37,322	39,193	41,286
Other Expenses	46,079	45,215	47,847	50,419
EBITDA	**2,39,445**	**2,44,786**	**2,67,457**	**2,90,086**
YoY gr. (%)	*26.5*	*2.2*	*9.3*	*8.5*
Margin (%)	*36.3*	*37.4*	*37.6*	*37.8*
Depreciation and Amortization	16,627	16,478	18,638	19,728
EBIT	**2,22,817**	**2,28,308**	**2,48,819**	**2,70,358**
Margin (%)	*33.7*	*34.9*	*35.0*	*35.2*
Net Interest	418	457	457	457
Other Income	24,376	35,383	37,564	40,104
Profit Before Tax	**2,46,775**	**2,63,233**	**2,85,926**	**3,10,005**
Margin (%)	*37.4*	*40.2*	*40.2*	*40.3*
Total Tax	59,971	58,938	70,052	75,951
Effective tax rate (%)	*24.3*	*22.4*	*24.5*	*24.5*
Profit after tax	**1,86,804**	**2,04,295**	**2,15,874**	**2,34,054**
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**1,86,804**	**2,04,295**	**2,15,874**	**2,34,054**
YoY gr. (%)	*24.1*	*9.4*	*5.7*	*8.4*
Margin (%)	*28.3*	*31.2*	*30.3*	*30.5*
Extra Ord. Income / (Exp)	729	(76)	-	-
Reported PAT	**1,87,533**	**2,04,220**	**2,15,874**	**2,34,054**
YoY gr. (%)	*24.5*	*8.9*	*5.7*	*8.4*
Margin (%)	*28.4*	*31.2*	*30.3*	*30.5*
Other Comprehensive Income	293	22,811	-	-
Total Comprehensive Income	1,87,826	2,27,030	2,15,874	2,34,054
Equity Shares O/s (m)	**12,428**	**12,485**	**12,497**	**12,509**
EPS (Rs)	**15.0**	**16.4**	**17.3**	**18.7**

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY23	FY24	FY25E	FY26E
Non-Current Assets				
Gross Block	**3,28,360**	**3,59,599**	**3,86,799**	**4,13,999**
Tangibles	3,05,362	3,36,105	3,63,105	3,90,105
Intangibles	22,998	23,494	23,694	23,894
Acc: Dep / Amortization	**99,399**	**1,15,065**	**1,32,228**	**1,50,456**
Tangibles	96,775	1,12,128	1,28,935	1,46,805
Intangibles	2,624	2,937	3,292	3,651
Net fixed assets	**2,28,961**	**2,44,534**	**2,54,571**	**2,63,543**
Tangibles	2,08,587	2,23,977	2,34,169	2,43,300
Intangibles	20,374	20,557	20,402	20,244
Capital Work In Progress	16,815	10,780	20,000	20,000
Goodwill	5,772	5,772	5,772	5,772
Non-Current Investments	1,63,676	2,28,246	2,27,711	2,44,896
Net Deferred tax assets	(16,211)	(20,837)	(19,795)	(18,805)
Other Non-Current Assets	55,359	23,238	25,422	26,851
Current Assets				
Investments	1,63,571	1,19,169	1,35,149	1,45,979
Inventories	1,05,939	1,26,315	1,09,949	1,16,654
Trade receivables	23,213	33,115	25,076	27,081
Cash & Bank Balance	38,313	62,177	62,140	70,003
Other Current Assets	13,881	11,342	14,938	16,135
Total Assets	**8,22,617**	**8,73,276**	**8,90,597**	**9,48,254**
Equity				
Equity Share Capital	12,428	12,485	12,497	12,509
Other Equity	6,63,510	7,09,848	7,17,424	7,65,639
Total Networth	**6,75,938**	**7,22,333**	**7,29,922**	**7,78,148**
Non-Current Liabilities				
Long Term borrowings	33	18	18	18
Provisions	2,018	2,215	2,217	2,357
Other non current liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade payables	43,513	44,896	46,057	49,677
Other current liabilities	80,644	79,261	88,474	94,915
Total Equity & Liabilities	**8,22,617**	**8,73,276**	**8,90,598**	**9,48,253**

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY23	FY24	FY25E	FY26E
PBT	2,46,775	2,63,233	2,85,926	3,10,005
Add. Depreciation	16,629	16,478	18,638	19,728
Add. Interest	418	457	457	457
Less Financial Other Income	24,376	35,383	37,564	40,104
Add. Other	(19,927)	36,588	(2,865)	(1,869)
Op. profit before WC changes	2,43,894	3,16,757	3,02,156	3,28,321
Net Changes-WC	(32,870)	(11,158)	14,459	(13,824)
Direct tax	(59,971)	(58,938)	(70,052)	(75,951)
Net cash from Op. activities	**1,51,052**	**2,46,661**	**2,46,563**	**2,38,545**
Capital expenditures	(18,437)	(26,016)	(37,896)	(28,699)
Interest / Dividend Income	-	-	-	-
Others	(7,062)	(64,584)	535	(17,184)
Net Cash from Invt. activities	**(25,499)**	**(90,600)**	**(37,360)**	**(45,883)**
Issue of share cap. / premium	10,612	33,739	(36,621)	(4,617)
Debt changes	(13)	(15)	-	-
Dividend paid	(1,35,473)	(1,91,639)	(1,71,665)	(1,81,210)
Interest paid	(418)	(457)	(457)	(457)
Others	107	(174)	37	(192)
Net cash from Fin. activities	**(1,25,185)**	**(1,58,547)**	**(2,08,705)**	**(1,86,477)**
Net change in cash	**368**	**(2,485)**	**497**	**6,186**
Free Cash Flow	1,32,615	2,20,645	2,08,667	2,09,846

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY23	FY24	FY25E	FY26E
Per Share(Rs)				
EPS	15.0	16.4	17.3	18.7
CEPS	16.4	17.7	18.8	20.3
BVPS	54.4	57.9	58.4	62.2
FCF	10.7	17.7	16.7	16.8
DPS	15.4	13.8	14.5	15.5
Return Ratio(%)				
RoCE	34.5	32.7	34.3	35.9
ROIC	35.9	33.0	35.9	36.9
RoE	29.0	29.2	29.7	31.0
Balance Sheet				
Net Debt : Equity (x)	(0.3)	(0.3)	(0.3)	(0.3)
Net Working Capital (Days)	47	64	46	45
Valuation(x)				
PER	32.8	30.2	28.6	26.4
P/B	9.1	8.5	8.5	7.9
P/CEPS	16.4	17.7	18.8	20.3
EV/EBITDA	24.8	24.4	22.3	20.5
EV/Sales	9.0	9.1	8.4	7.8
Dividend Yield (%)	3.1	2.8	2.9	3.1

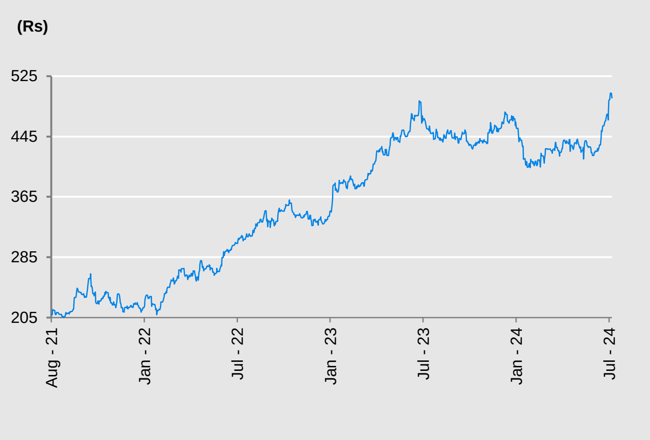
Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q2FY24	Q3FY24	Q4FY24	Q1FY25
Net Revenue	**1,65,501**	**1,64,833**	**1,65,793**	**1,70,001**
YoY gr. (%)	*2.6*	*1.6*	*1.1*	*7.4*
Raw Material Expenses	70,642	68,494	66,529	71,885
Gross Profit	94,858	96,339	99,264	98,116
Margin (%)	*57.3*	*58.4*	*59.9*	*57.7*
EBITDA	**60,416**	**60,243**	**61,626**	**62,955**
YoY gr. (%)	*3.0*	*(3.2)*	*(0.8)*	*0.7*
Margin (%)	*36.5*	*36.5*	*37.2*	*37.0*
Depreciation / Depletion	4,132	4,168	4,154	4,309
EBIT	**56,284**	**56,075**	**57,473**	**58,646**
Margin (%)	*34.0*	*34.0*	*34.7*	*34.5*
Net Interest	105	124	121	111
Other Income	8,956	11,353	7,986	7,013
Profit before Tax	**65,135**	**67,305**	**65,338**	**65,547**
Margin (%)	*39.4*	*40.8*	*39.4*	*38.6*
Total Tax	15,865	11,529	15,115	16,343
Effective tax rate (%)	*24.4*	*17.1*	*23.1*	*24.9*
Profit after Tax	**49,270**	**55,776**	**50,223**	**49,205**
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	**49,270**	**55,776**	**50,223**	**49,205**
YoY gr. (%)	*10.3*	*10.9*	*0.2*	*0.4*
Margin (%)	*29.8*	*33.8*	*30.3*	*28.9*
Extra Ord. Income / (Exp)	-	(55)	(21)	(30)
Reported PAT	**49,270**	**55,721**	**50,202**	**49,175**
YoY gr. (%)	*10.3*	*10.8*	*(1.3)*	*0.3*
Margin (%)	*29.8*	*33.8*	*30.3*	*28.9*
Other Comprehensive Income	907	2,424	15,250	(1,476)
Total Comprehensive Income	**50,176**	**58,145**	**65,452**	**47,699**
Avg. Shares O/s (m)	12,309	12,309	12,309	12,309
EPS (Rs)	**4.0**	**4.5**	**4.1**	**4.0**

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	09-Jul-24	Accumulate	491	434
2	23-May-24	Accumulate	491	441
3	09-Apr-24	Accumulate	488	426
4	30-Jan-24	Accumulate	489	450
5	08-Jan-24	Accumulate	487	466
6	12-Dec-23	Accumulate	492	453
7	20-Oct-23	Accumulate	492	450
8	07-Oct-23	Accumulate	475	442
9	15-Aug-23	Accumulate	478	449

Analyst Coverage Universe

Sr. No.	CompanyName	Rating	TP (Rs)	Share Price (Rs)
1	Asian Paints	Reduce	2,605	2,974
2	Avenue Supermarts	Accumulate	5,104	5,027
3	Britannia Industries	Hold	5,315	5,547
4	Colgate Palmolive	Reduce	2,743	3,210
5	Dabur India	UR	-	606
6	Emami	UR	-	725
7	Hindustan Unilever	Hold	2,698	2,766
8	ITC	Accumulate	491	434
9	Jubilant FoodWorks	UR	-	570
10	Kansai Nerolac Paints	Reduce	284	307
11	Marico	Accumulate	621	615
12	Metro Brands	Hold	1,190	1,218
13	Mold-tek Packaging	Accumulate	843	796
14	Nestle India	Accumulate	2,746	2,481
15	Pidilite Industries	Accumulate	3,141	3,100
16	Restaurant Brands Asia	Accumulate	134	110
17	Titan Company	Accumulate	3,545	3,269
18	Westlife Foodworld	Hold	791	833

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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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