21 August 2026
Company Update | Sector: Consumption

Tata Consumer Products

BSE SENSEX	S&P CNX
77,541	24,252

TATA CONSUMER PRODUCTS LIMITED

Bloomberg	TATACONS IN
Equity Shares (m)	990
M.Cap.(INRb)/(USDb)	1038.2 / 10.8
52-Week Range (INR)	1283 / 1007
1, 6, 12 Rel. Per (%)	-3/-4/0
12M Avg Val (INR M)	1797

Financials & Valuations (INR b)

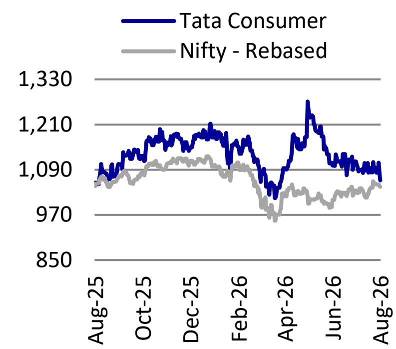
Y/E Mar	FY26	FY27E	FY28E
Sales	200	224	243
EBITDA	27	33	37
Adj. PAT	15	19	22
EBITDA Margin (%)	14	15	15
Cons. Adj. EPS (INR)	15	19	23
EPS Gr. (%)	18	27	16
BV/Sh. (INR)	236	250	268
Ratios			
Net D:E	0	0	0
RoE (%)	7	9	9
RoCE (%)	9	11	11
Payout (%)	43	34	29
Valuations			
P/E (x)	69	54	47
EV/EBITDA (x)	34	28	25
Div. Yield (%)	1	1	1
FCF Yield (%)	2	2	2

Shareholding pattern (%)

As on	Jun-26	Mar-26	Jun-25
Promoter	33.8	33.8	33.8
DII	25.0	24.2	22.0
FII	20.1	20.8	22.0
Others	21.1	21.2	22.2

Note: FII includes depository receipts

Stock's performance (one-year)



CMP: INR1,049 TP: INR1,500 (+43%) Buy

Innovation, distribution and health & wellness driving the next phase of growth

TATACONS is undergoing a fundamental transformation from a largely tea- and salt-led company into a diversified, innovation-led F&B platform spanning beverages, foods, health & wellness, convenience and emerging consumer categories. With growth businesses (Tata Sampann, Ready-to-Drink, Tata Soulfull, Tata MyBistro, Capital Food and Organic India) scale up and gaining strategic importance, TATACONS is building a broader growth portfolio alongside its established core business.

- **Innovation intensity has increased sharply, with launches rising from 41 in FY25 to 80 in FY26, of which 55% were focused on health & wellness, while innovation-to-sales improved from 2.7% in FY22 to 4.5% in FY26. The company is simultaneously premiumizing its core beverages and expanding into growth categories, as growth products accounted for over 60% of launches annually since FY22.**
- **TATACONS is strengthening its transformation into a diversified F&B platform through a comprehensive GTM overhaul, aimed at improving distribution productivity and accelerating penetration of its growth portfolio. At the same time, alternate channels have grown from 19% of India business in FY22 to 41% in FY26, with e-commerce and quick commerce together contributing 19% of revenue.**
- **TATACONS' growth portfolio has emerged as a key growth engine, supported by high innovation intensity, expanding distribution and strong traction across alternate channels. Tata Sampann and Tata Soulfull recorded significantly higher innovation-to-sales ratios of 19.6% and 20.1%, respectively. Further, Organic India has expanded from herbal teas to supplements and nutraceuticals, while Capital Foods has broadened beyond sauces to a wider convenience-food portfolio.**
- **Tata Starbucks has built a strong national footprint, expanding from 185 stores across 11 cities in FY20 to 502 stores across 80 cities in FY26 while adopting a more disciplined approach to expansion in recent years. As the store base has matured, the focus has increasingly shifted toward product innovation and broadening consumption occasions through cold brews, refreshers, localized beverages, zero-added-sugar and protein-led offerings.**
- **For international business, high coffee prices (Arabica/Robusta up 51%/10% in CY25) were a key headwind in FY26, particularly for the US, resulting in a 6% YoY decline in international EBIT. However, price hikes in Eight O'Clock Coffee helped offset cost inflation and support revenue growth and market share gains. However, with coffee prices softening in 1QFY27 (Arabica/Robusta down 6%/9% QoQ), international EBIT rebounded 13% YoY. On the other hand, non-branded business revenue declined 7% YoY and EBIT fell 24%, reflecting lower global coffee prices, which are likely to weigh on near-term operating performance.**
- **TATACONS' increasing focus on health & wellness positions it well amid tightening FSSAI scrutiny around health claims, labelling and product communication. While stricter regulations may increase compliance and testing requirements, they could also raise entry barriers for smaller brands relying on loosely substantiated claims.**
- **We expect TATACONS to clock a CAGR of 10%/16%/21% in revenue/EBITDA/PAT during FY26-28. Reiterate BUY with an SoTP-based TP of INR1,500.**

Sumant Kumar - Research Analyst (Sumant.Kumar@MotilalOswal.com) | **Yash Darak** (Yash.Darak@MotilalOswal.com)
Research Analyst: | **Nirvik Saini** Nirvik.saini@MotilalOswal.com) | **Swapnil Upadhyay** Swapnil.Upadhyayk@MotilalOswal.com)

Innovation-led shift toward foods, wellness and RTD

- TATACONS has evolved from a largely tea- and salt-led company into a diversified F&B platform, with growth businesses (Tata Sampann, Ready-to-Drink or RTD, Tata Soulfull, Tata MyBistro, Capital Food and Organic India) becoming increasingly important to the portfolio.
- The evolution is evident in the sharp increase in innovation intensity. In FY25, the company launched 41 products. **This accelerated significantly in FY26, with 80 launches, of which 55% were focused on health & wellness (from 24% in FY23). This indicates that health & wellness has emerged as the company's most important innovation platform.**
- Further, TATACONS is expanding its premium portfolio across core and emerging categories, moving consumers up the value curve, i.e., vacuum-evaporated salt → value-added salt, instant coffee → decoctions/RTD, plain noodles → Korean variants, and basic dry fruits → curated trail mixes. **Consequently, innovation-to-sales ratio has grown from 2.7% in FY22 to 4.5% in FY26.**
- **Core beverages remain important but are increasingly focused on premiumization:** Tea and Coffee continue to form a significant part of the portfolio, with innovation focused on premium, functional and differentiated formats rather than only expanding traditional products. This allows TATACONS to defend the core business while improving value realization.
- **Further, the company has launched several key products over the years (as disclosed by the company). Notably, growth products accounted for more than 60% of launches in each year from FY22 to FY26, highlighting management's increasing focus on expanding its growth businesses** *(Refer exhibit xx for key products launched during FY22 to FY26).*
- Tata Sampann, Soulfull and Capital Foods have enabled TATACONS to expand beyond traditional staples into snacks, millet-based products, dry fruits/nuts, convenience foods, noodles, sauces, RTE/RTC and other adjacent categories. The company has specifically identified building Tata Sampann as a preferred pantry brand as a strategic priority.
- RTD is a key growth opportunity within Beverages: The company is building a pan-India RTD portfolio across Hydration+, Energize & Recharge and Brew, with products spanning Tata Copper+, Tata Gluco+, Kombucha, Matcha and cold coffee. Pan-India RTD expansion is explicitly identified as a strategic priority.

Revamped GTM strategy and alternate channels strengthen growth outlook

- TATACONS is executing a long-term transformation from a tea- and salt-led company into a diversified F&B platform. The strategy is centered on strengthening its core businesses while scaling up high-growth categories, leveraging innovation, digital capabilities, acquisitions and execution excellence to capture evolving consumer trends
- A key differentiator has been the comprehensive overhaul of the company's go-to-market (GTM) architecture. TATACONS restructured its distribution network by creating category-specific distributor models, enabling sharper focus across core and growth portfolios. **~500 distributors (~10% of the distributor base) were migrated to the new structure, while 160+ new distributors were added across priority markets.**
- TATACONS designed three GTM pilot models: Pilot 1 involved segregation between salt and non-salt distributors; Pilot 2 separated core (tea and salt) distributors from growth-focused distributors; and Pilot 3 retained a common distributor handling the entire portfolio.

- The GTM transformation had been executed through a phased rollout approach, with the national rollout currently underway across metros and larger cities in multiple tranches. The implementation had been carefully sequenced to ensure business continuity, with minimal disruption to ongoing operations despite the structural changes in distribution
- **Its GTM transformation is expected to be a key enabler for its growth portfolio by creating dedicated distribution infrastructure, improving assortment and outlet-level execution, and accelerating penetration of newer categories.**
- Alternate channels increased their contribution to India business from 19% in FY22 to 41% in FY26. Unlike traditional distribution, where building physical distribution and retailer presence can take longer, digital channels allow the company to launch and scale up products across multiple markets relatively quickly, supporting its increasing innovation intensity.
- E-commerce accounted for 7.3% of India business sales in FY22 with TATACONS holding the #1 position in packaged beverages. Quick commerce also gained significance, accounting for ~30% of e-commerce revenue in FY24. In FY26, e-commerce grew 62%, led by quick commerce, with the combined e-commerce and quick commerce channels contributing 19% of revenue. **Moreover, Tata Tea maintained its leadership in e-commerce, with its market share reaching 38% in FY26.**
- Further, total reach expanded 73% to 4.5m outlets in FY26 vs. FY22, reaching 290m households, led by direct reach/indirect reach expanding 38%/2x over FY22 levels.
- **Going forward, continued expansion of alternate channels, alongside its strong traditional trade and rural distribution network, should support faster product scale-up, improve distribution productivity and provide a structural growth driver for the India business.**

Growth portfolio gains scale through innovation and new-age channels

- While the revamped GTM strategy has been a key enabler, TATACONS' growth portfolio has benefited from several structural demand- and execution-led initiatives.
- **The company continues to drive growth through an aggressive innovation pipeline, with significantly higher innovation-to-sales ratios for Tata Sampann (19.6%) and Tata Soulfull (20.1%) vs. the company average (4.5%) in FY26.**
- Further, growth brands continue to benefit from their strong presence in quick commerce and e-commerce, with these channels emerging as key growth drivers.
- Growth portfolio has the highest salience across quick-commerce platforms, with Tata Sampann's **46% revenue growth in FY26** being directly supported by robust quick-commerce demand. Modern Trade also remained a strong contributor, **recording 20% YoY growth during the same period**.
- Further, Organic India's portfolio has moved from its **traditional herbal teas** and organic foods into **supplements and nutraceuticals**, with launches including Gokshura capsules, gummies and other wellness products.
- Organic foods have also expanded across categories such as chyawanprash, ghee, jaggery, Shilajit, quinoa, apple cider vinegar, staples and spices.
- Similarly, Capital Foods has evolved from a **desi Chinese sauce brand** into a broader platform encompassing Ching's Secret and Smith & Jones, with products across sauces, chutneys, soups, instant noodles, masalas, cooking aids and related convenience products.

- The transformation is visible in the financial trajectory, with combined Organic India and Capital Foods revenue growing 35% YoY to INR3.5b in 1QFY27.
- The growth portfolio has evolved into a strong growth engine for TATACONS, supported by both demand-side tailwinds and execution-led initiatives. The combination of high innovation intensity, strong e-commerce/quick-commerce traction and expanding Modern Trade presence is enabling these businesses to scale up faster than the core portfolio.
- **This translated into TATACONS' growth portfolio crossing INR40b in FY26 with YoY growth of 24%. Consequently, growth portfolio's revenue contribution in the India business increased from 8% in FY21 to 31% in FY26.**

Tata Starbucks: Scaling up footprint with focus on product innovation

- Tata Starbucks has built a significant national footprint over the past six years, with its store network increasing from 185 stores across 11 cities in FY20 to 502 stores across 80 cities in FY26. This represents ~2.7x growth in stores and a more than seven-fold increase in the number of cities served.
- The pace of expansion accelerated meaningfully in FY23–FY24, when the company added 65 and 88 stores, respectively. This was followed by a more calibrated approach in FY25–FY26, with 58 and 23 net additions, respectively.
- **The moderation in additions should not necessarily be viewed as a reduction in the growth opportunity; rather, it reflects company's stated approach of "expanding with discipline", particularly in an environment of softer discretionary and QSR demand.**
- As the store base has matured, Starbucks has increasingly focused on product innovation rather than simply maximizing store count. Starbucks has expanded beyond its traditional hot coffee proposition into Cold Brews, Refreshers, localized beverages, zero-added-sugar options and protein-led offerings.
- **The evolution of the portfolio—from filter coffee, masala chai and vegan offerings to Cold Brew variants, Blonde Espresso Roast and Protein Cold Foam—indicates an effort to cater wellness trends**
- Consequently, Starbucks has reported a Revenue CAGR of 21% over FY22-26, while store count increased at 17% CAGR over the same period. **Overall, Product diversification across Cold Brews, Refreshers, localized, zero-sugar and protein-led offerings is further broadening consumption occasions**

International and Non-branded: Coffee price normalization to support growth outlook

- **International business (26% of business)**
- TATACONS' international business rose 15% YoY to INR52.5b in FY26, primarily driven by strong growth in the U.S., while performance in the UK and Canada remained subdued. While EBIT declined 6% for the same period to INR6.3b
- Further, In the UK, the business crossed INR15b in revenue in FY26, although constant-currency revenue declined ~1% amid volume pressure in a competitive and declining tea market (Tea prices down 4% YoY). Canada remained a stronghold for Tetley, which retained its position as the #1 tea brand, with Specialty Tea growth and favorable mix offsetting weakness in Regular Tea volumes.
- Coffee price inflation was a key headwind for Tata Consumer's International Business in FY26 **(Arabica/Robusta coffee prices up 51%/10% in CY25)**, particularly in the US, where coffee is the primary growth driver. The company implemented multiple price increases in Eight O'Clock Coffee to offset higher coffee costs, supporting strong revenue growth and allowing the business to maintain/gain market share.

- However, in 1QFY27, the trajectory improved, with international revenue growing 16% YoY/3% in constant currency, led by the US. The US grew 7% in cc and continued to gain market share. **This was led by coffee prices correcting meaningfully YoY in 1QFY27 (Arabica/Robusta Coffee prices down 6%/9% QoQ). US margins should continue to improve as coffee prices normalize.**
- **Overall, TATACONS' international business operating performance is expected to improve due to correction in coffee prices (down 10% QoQ). FY26 profitability was impacted by high coffee costs; however, the meaningful correction in coffee prices in 1QFY27 should provide a significant margin tailwind, particularly for the U.S. business**
- **Non-branded business (12% of business)**: In FY26, the business delivered strong revenue of 25% YoY to INR23.8b (23% in cc), driven by high volumes in Solubles and high realizations in both Coffee Plantations and Solubles. However, segment EBIT declined 31% to INR2.8b as FY26 profitability normalized from the high base of the previous year and was impacted by coffee-price volatility.
- In 1Q, however, non-branded revenue declined 7% YoY/10% in cc, reflecting the correction in global coffee prices. Moreover, EBIT declined 24% YoY to INR491m.
- **Overall, lower coffee prices may weigh on non-branded operating performance in FY27.**

FSSAI compliance to raise barriers for small entrants

- TATACONS' increasing focus on health & wellness and Organic India provides an important strategic advantage as FSSAI tightens scrutiny on food claims, product labelling and health/wellness communication.
- While tighter FSSAI norms could increase labelling, testing and packaging-compliance costs across TATACONS' conventional food and beverage portfolio, they could simultaneously raise entry barriers for smaller/new-age brands that rely on loosely substantiated natural, clean-label or functional claims.
- Established players with strong R&D capabilities, claims substantiation, recognized certifications, quality-testing infrastructure and trusted brands should be better positioned to navigate this environment. TATACONS is building these capabilities across Organic India, Tata Sampann, Tata Soulfull and its broader Health & Wellness platforms.
- **TATACONS' focus on health and wellness portfolio is proven, with the portfolio accounting for 55% of the 80 products launched in FY26, making it a core innovation engine rather than a niche portfolio.**

Valuation and view

- We expect growth in TATACONS to be driven by effective GTM execution (enabling faster expansion of high-growth businesses). This, combined with portfolio premiumization, a higher innovation-to-sales ratio, and improving operating leverage, is expected to support sustainable revenue growth and gradually enhance profitability over the medium term.
- **We expect TATACONS to clock a CAGR of 10%/16%/21% in revenue/EBITDA/ PAT during FY26-28. Reiterate BUY with an SoTP-based TP of INR1,500.**

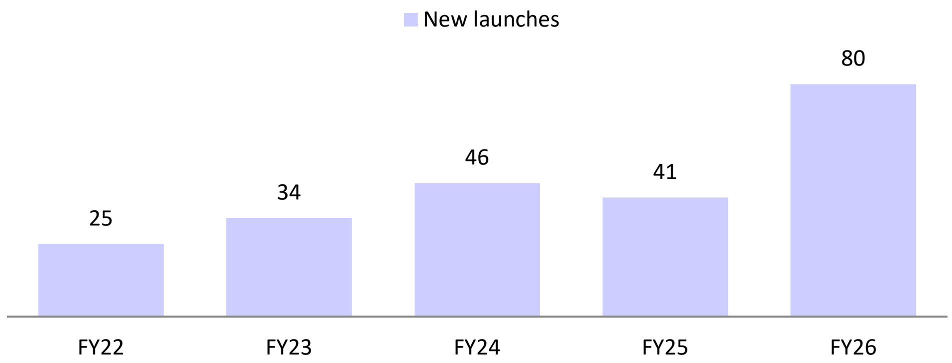
Exhibit 1: Key product launches from FY22 to FY26

Segment	Key brands	FY22	FY23	FY24	FY25	FY26
Core						
India beverages	Tata coffee					Vietnamese Ca Phe
	Tata coffee grand					Irish cream
	Tata Tea	Chakra gold care	Hyderabadi Irani chai	Instant liquid tea premix (Lemon honey flavour)	Instant premix Cardamom Flavour	Instant iced tea (Peach flavour)
		1868 (Cinnamon clove)	Mumbai cutting chai	Instant liquid tea premix (Kashmiri Kahwa flavour)	Instant premix Masala Flavour	Instant iced tea (Lemon flavour)
		Agni	Kolkata street chai			
India foods	Tata salt	low sodium iodised salt	Tata Salt Immuno-Salt fortified with Iodine and Zinc		Rock salt + Iodised Salt	LoSodium Rock salt
		Shuddh	Tata Salt Iron Health- Salt fortified with iodine and iron		Iron health	
			Vitamin Shakti, fortified with Vitamin D and calcium			
			Pink salt			
International	Tetley		Immune TulsiFortified with Vitamin C	Immuno Chai		Matcha latte (Mango)
				Digest Chai		Matcha latte (Classic)
						Matcha latte (Vanilla)
Growth						
India beverages						
	Tata Gluco +	Jelly energy drink (Mango)			Berry blast	Tata electrolyte
		Jelly energy drink (Orange)			Green apple punch	
		Jelly energy drink (Strawberry)				
	Himalayan			Kashmiri saffron		Kedar honey
	Tata coffee	Gold		Classic		Caramel Flavour
		Dark Roast		Cold brew (Hazelnut flavour)		Hazelnut Flavour
				Sonnets		
				Quick Filter		
	Organic India				Desi khandsari sugar	Revitalise Throat
					Gokshura	Revitalise Gut
						Revitalise Sleep
	Tata Lyfe+				Alkaline ph 8+	
	Say never			Energy drink		
	Tata spring alive			spring alive		
	Tata gofit		Tata GoFitPlant Protein powder	Apple cider vinegar		
India foods	Tata Soulfull	Millets muesli	Masala Oats+ Oats with 25% millets	Ragi bites (Choco Sticks)	Ragi bites (Orange Sticks)	Ultimate millet muesli Hi - Protein
		Millets smoothix	Ragi bites (Cream fills)			Ultimate millet muesli Probiotic
			Ragi bites (Strawberry fills)			
	Smith & Jones				Pink pasta sauce mix	Chilli ginger garlic paste

Segment	Key brands	FY22	FY23	FY24	FY25	FY26
					White pasta sauce mix	Masala Noodles
					Crunchy fried chicken mix	
	Simply better		Plant based meat	Keema		Avocado Oil
				Biryani		
				Chucks		
				Burger patty		
	Tata Sampann	Manchurian rice masala	Dry Fruits and Nuts Mix	Classic Mac & cheese	Inshell walnut	
		California almonds	Cheesy pasta	Sunflower seeds	Chatpati Dhaniya pudina chutney Dip	
			Makhani gravy	Pupmkin seeds	Theekhi Imli Saunth Chutney Dip	
			Hing	flax seed	Meethi Imli Khajur Chutney Dip	
			High protein makhana	Walnut		
			Poha indori style	Oats +		
				Millet granola		
	Chings Secret				Momo chutney	
					Pizza and pasta sauce	
					Schezwan Instant Noodles	
					Manchurian Instant Noodles	
					Whole wheat Noodles	
	Joyfull Millets			Honey & Nut Crunchy Muesli		
	Tata Raasa		Kashmiri rogan josh			
			Delhi dal makhni			
International	Good earth	Tropical mango				
		Rodibos chai				
		Kombucha Original				
		Good energy (Organic Guayusa)				
	Teapigs	Blackcurrant & Raspberry				
		Pink grapefruit				
		Watermelon & Hibiscus				
		Cucumber & Apple tea				
		Lychee & Rose tea				
		Peach & Mango Tea				
		Kombucha				
Total products launched		**25**	**34**	**46**	**41**	**80**

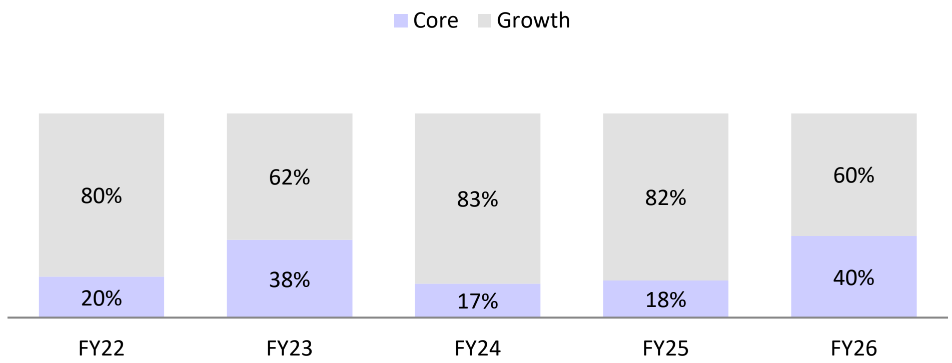
Source: Company, MOFSL

Exhibit 2: New product launches over the years



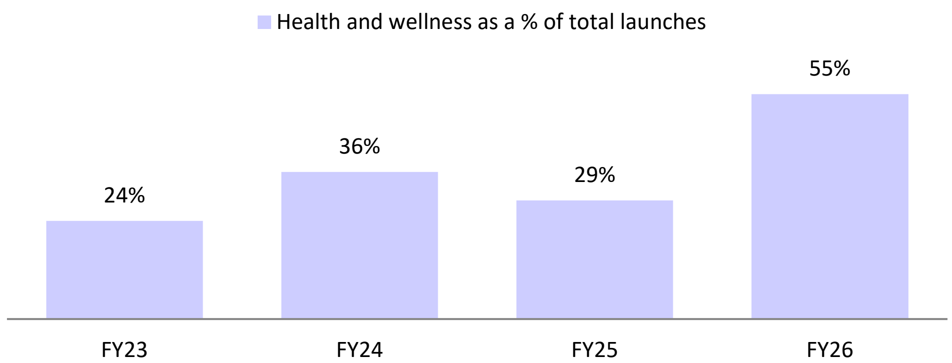
Source: Company, MOFSL

Exhibit 3: Mix of key products launched over the years



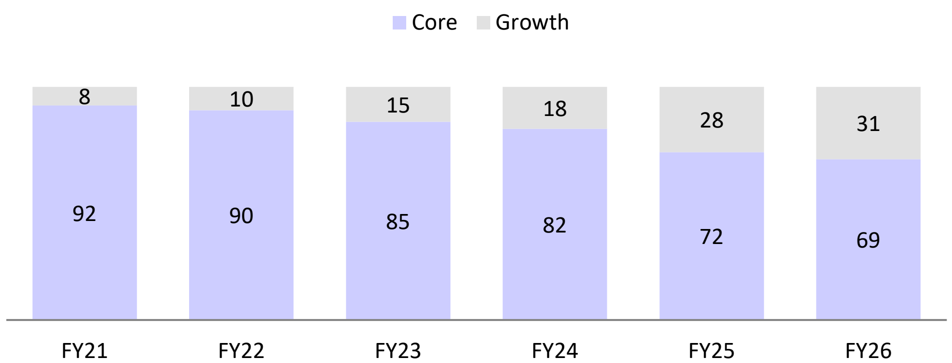
Source: Company, MOFSL

Exhibit 4: Health & wellness as a % of total launches



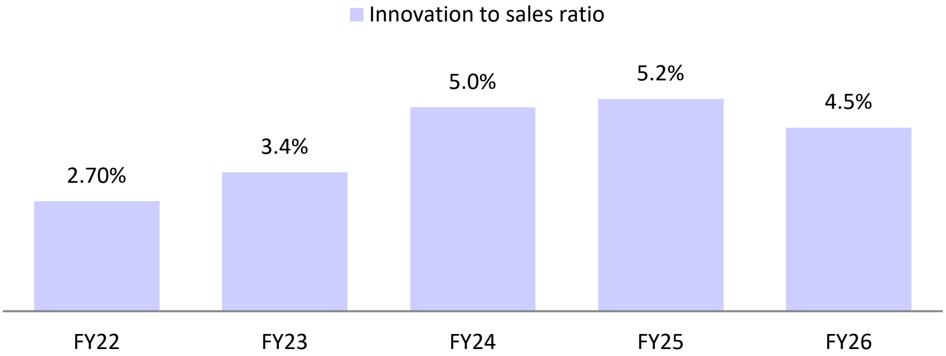
Source: Company, MOFSL

Exhibit 5: Share of growth business increasing over the years



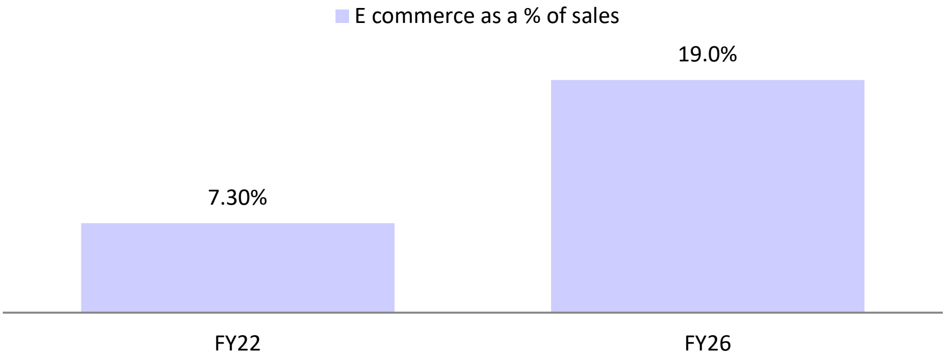
Source: Company, MOFSL

Exhibit 6: Innovation-to-sales ratio across the years



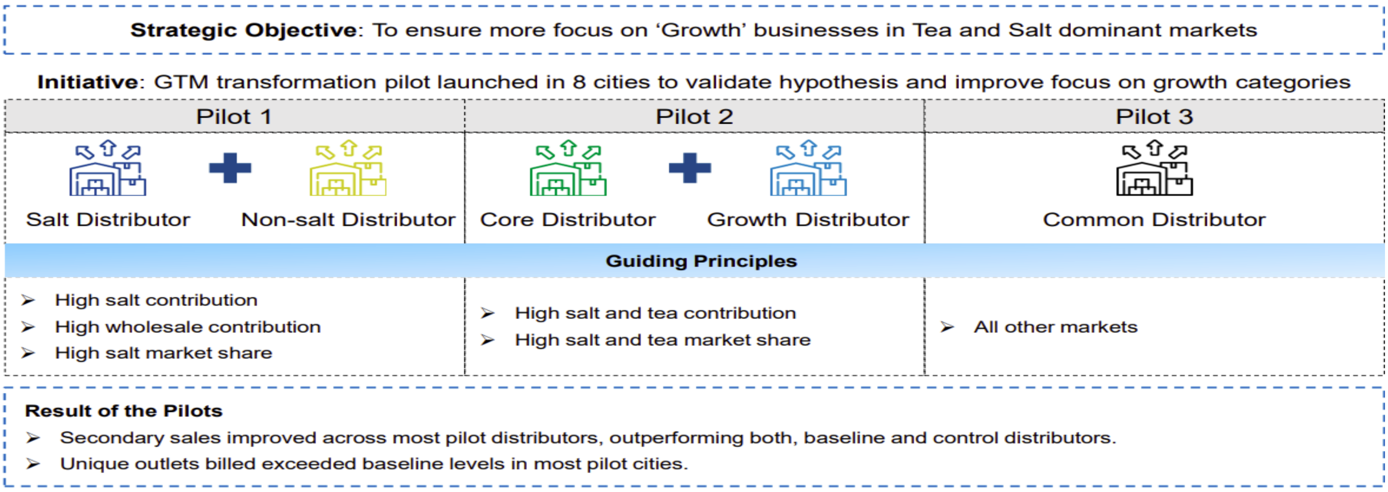
Source: Company, MOFSL

Exhibit 7: E-commerce as a % of sales has been growing rapidly



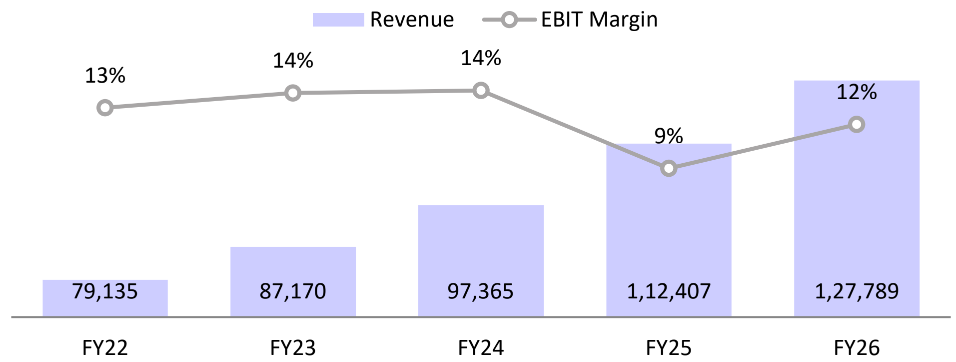
Source: Company, MOFSL

Exhibit 8: GTM strategy



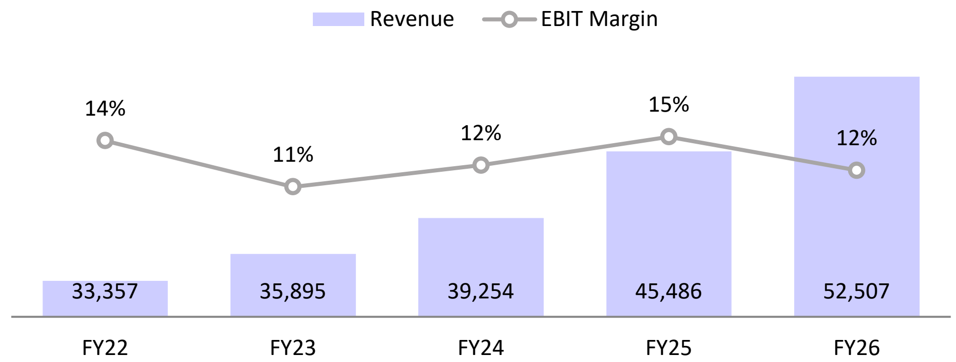
Source: Company, MOFSL

Exhibit 9: India branded business revenue and margin trend



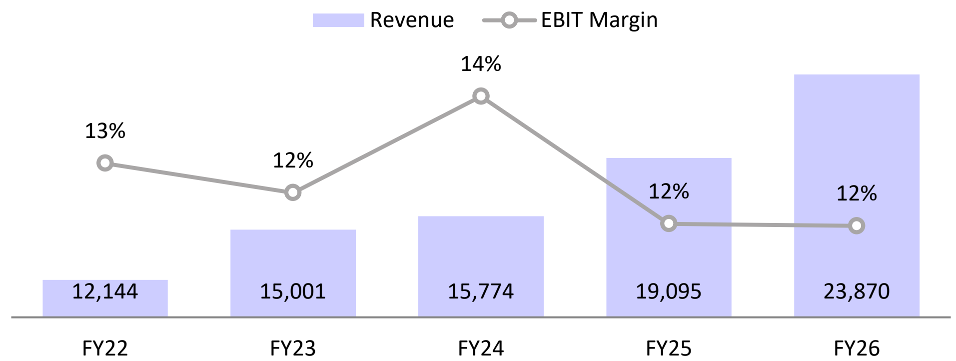
Source: Company, MOFSL

Exhibit 10: International beverages business revenue and margin trend



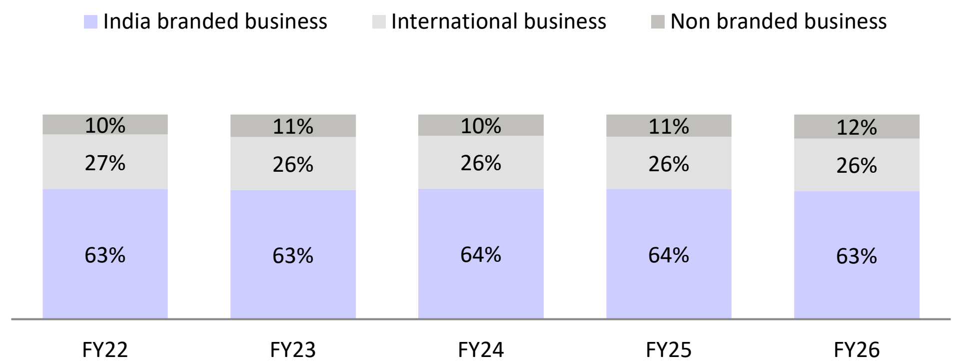
Source: Company, MOFSL

Exhibit 11: Non-branded business revenue and margin trend



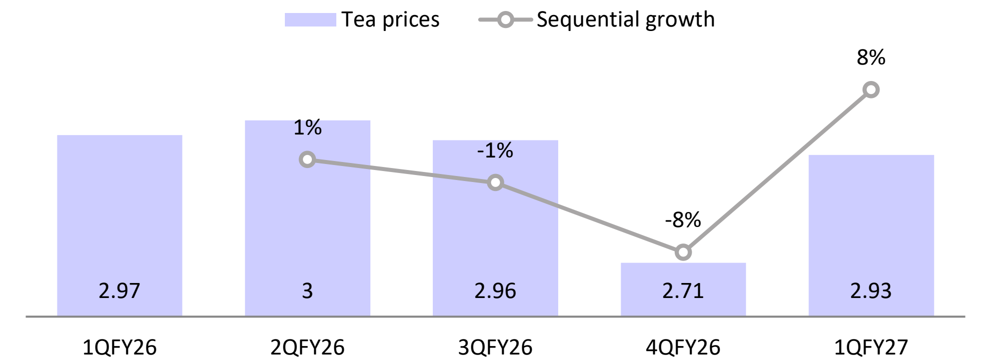
Source: Company, MOFSL

Exhibit 12: Business mix



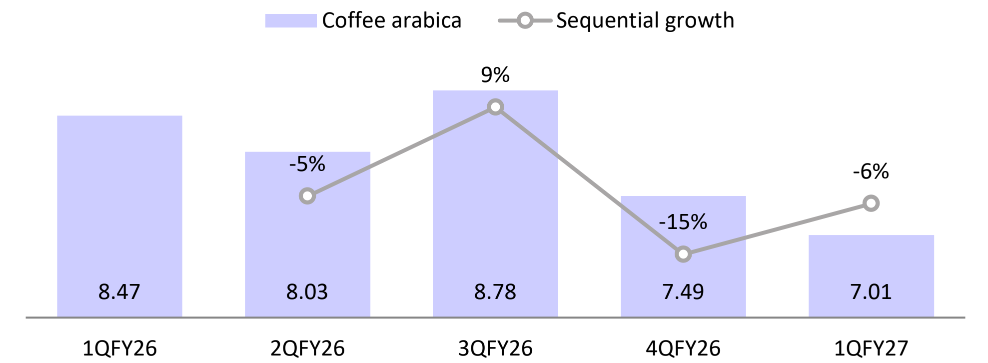
Source: Company, MOFSL

Exhibit 13: Tea prices trend (USD per kg)



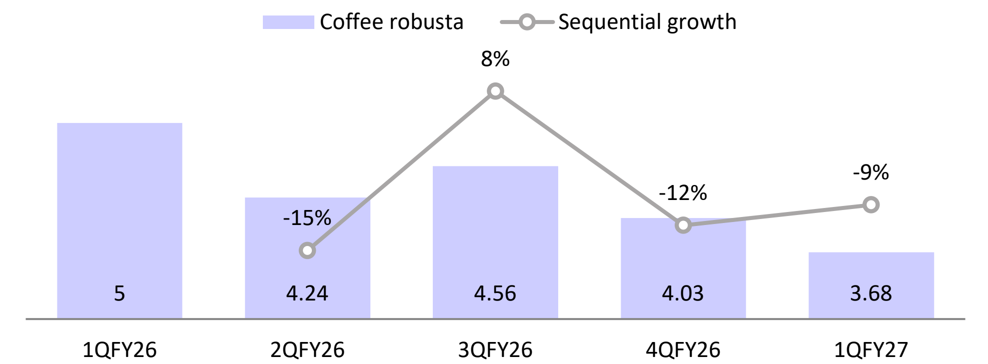
Source: World bank, MOFSL

Exhibit 14: Arabica coffee prices trend



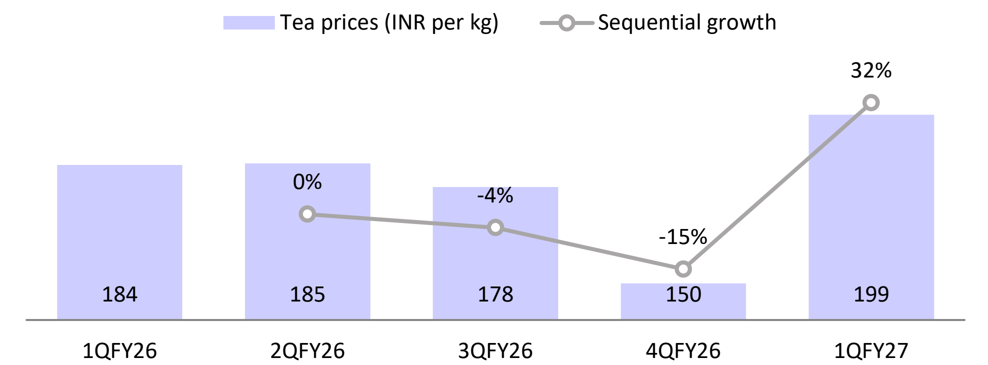
Source: World bank, MOFSL

Exhibit 15: Robusta coffee prices trend



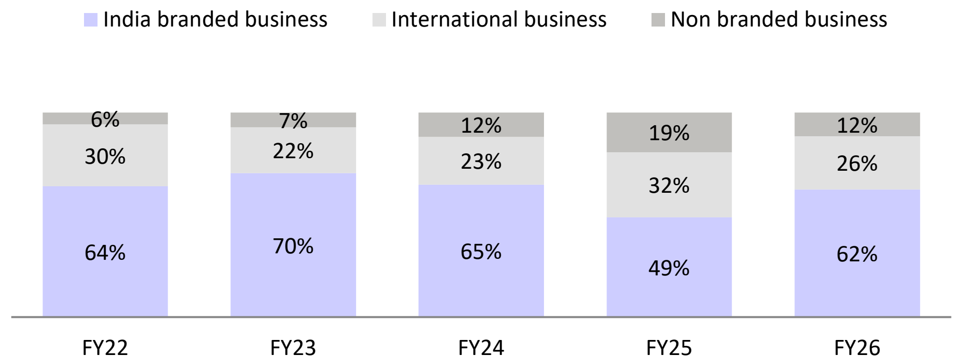
Source: World bank, MOFSL

Exhibit 16: India tea prices trend



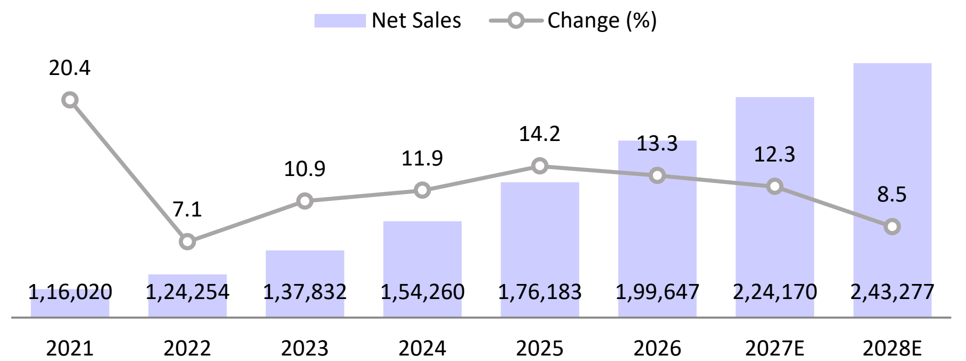
Source: Tea board, MOFSL

Exhibit 17: EBIT mix



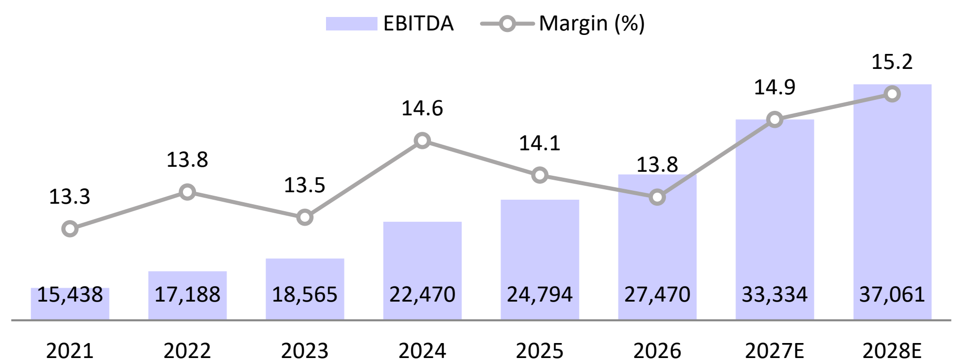
Source: Company, MOFSL

Exhibit 18: Consolidated revenue trend



Source: Company, MOFSL

Exhibit 19: Consolidated EBITDA trend



Source: Company, MOFSL

Exhibit 20: Valuation

SOTP			
EV/EBITDA	**FY28 EBITDA**	**Multiple (x)**	**EV**
India Branded Business	30,778	38	11,60,582
International Branded Business	7,478	13	1,00,199
Non-Branded Business	1,655	13	22,183
Elimination	6,395	12	76,741
DCF			
Starbucks JV			74,719
Enterprise value			**14,34,423**
Less: Net debt			(49,977)
Market value (INRm)			**14,84,400**
No. of shares (m)			990
Target price (INR)			**1,500**

Source: Company, MOFSL

Financials and valuations

Consolidated Income Statement (INRm)

Y/E March	2021	2022	2023	2024	2025	2026	2027E	2028E
Net Sales	**1,16,020**	**1,24,254**	**1,37,832**	**1,54,260**	**1,76,183**	**1,99,647**	**2,24,170**	**2,43,277**
Change (%)	20.4	7.1	10.9	11.9	14.2	13.3	12.3	8.5
Gross Profit	**46,997**	**53,414**	**57,775**	**65,745**	**75,490**	**82,994**	**95,944**	**1,05,179**
Margin (%)	40.5	43.0	41.9	42.6	42.8	41.6	42.8	43.2
Other operating exp.	31,560	36,226	39,210	43,274	50,697	55,524	62,611	68,118
EBITDA	**15,438**	**17,188**	**18,565**	**22,470**	**24,794**	**27,470**	**33,334**	**37,061**
Margin (%)	13.3	13.8	13.5	14.6	14.1	13.8	14.9	15.2
Depreciation	2,547	2,780	3,041	3,691	6,007	6,267	7,126	7,150
Net Interest	687	728	872	1,298	2,902	1,370	1,484	1,484
Other income	1,214	1,401	1,689	2,456	1,933	1,648	2,046	2,168
PBT before EO	**13,417**	**15,081**	**16,341**	**19,938**	**17,817**	**21,480**	**26,769**	**30,595**
EO income/(exp.)	-307	-521	1,595	-3,270	-51	-201	0	0
PBT after EO	**13,111**	**14,560**	**17,936**	**16,667**	**17,766**	**21,280**	**26,769**	**30,595**
Tax	3,173	3,770	4,470	3,947	3,962	5,353	6,738	7,701
Rate (%)	24.2	25.9	24.9	23.7	22.3	25.2	25.2	25.2
Minority and Associates	1,371	1,432	1,428	1,507	1,018	952	881	598
Reported PAT	**8,567**	**9,358**	**12,038**	**11,213**	**12,785**	**14,975**	**19,150**	**22,296**
Adjusted PAT	**8,797**	**9,748**	**10,842**	**13,666**	**12,823**	**15,125**	**19,150**	**22,296**
Change (%)	21.9	10.8	11.2	26.1	-6.2	18.0	26.6	16.4

Balance Sheet (INRm)

Y/E March	2021	2022	2023	2024	2025	2026	2027E	2028E
Share Capital	922	922	929	953	990	990	990	990
Reserves	1,44,424	1,50,498	1,61,838	1,59,615	1,99,021	2,16,886	2,29,815	2,45,890
Net Worth	**1,45,345**	**1,51,419**	**1,62,767**	**1,60,568**	**2,00,011**	**2,17,875**	**2,30,804**	**2,46,879**
Minority Interest	10,925	11,516	8,502	13,793	13,892	14,013	14,081	14,081
Loans	12,066	10,106	11,828	29,539	18,487	21,203	21,203	21,203
Capital Employed	**1,68,337**	**1,73,042**	**1,83,097**	**2,03,900**	**2,32,390**	**2,53,092**	**2,66,089**	**2,82,164**
Gross Block	61,773	66,671	71,650	1,13,913	1,31,132	1,35,887	1,39,887	1,43,887
Less: Accum. Deprn.	21,371	24,151	27,192	30,883	36,890	43,157	50,283	57,433
Net Fixed Assets	**40,402**	**42,520**	**44,458**	**83,030**	**94,242**	**92,730**	**89,604**	**86,454**
Capital WIP	1,129	4,618	5,097	4,044	4,317	6,948	6,948	6,948
Goodwill & Intangibles	75,966	77,541	80,254	1,03,343	1,13,304	1,18,839	1,18,839	1,18,839
Investments	4,827	5,993	6,782	6,319	6,765	5,744	4,931	4,333
Curr. Assets	**79,855**	**80,077**	**91,034**	**82,052**	**99,679**	**1,18,526**	**1,40,793**	**1,65,427**
Inventories	22,492	22,665	27,017	27,694	35,999	35,268	44,220	47,989
Account Receivables	7,613	8,352	7,983	8,968	8,698	11,483	13,512	14,663
Cash and Bank Balance	33,980	27,979	35,517	26,931	31,101	42,887	52,853	71,180
Others	15,770	21,082	20,517	18,460	23,881	28,889	30,209	31,595
Curr. Liability & Prov.	**28,372**	**30,235**	**36,384**	**58,358**	**65,514**	**69,444**	**74,774**	**79,585**
Account Payables	16,255	19,159	23,482	27,072	35,084	38,753	42,991	46,656
Other liabilities	9,175	8,589	10,453	27,399	26,878	26,663	27,647	28,680
Provisions	2,942	2,488	2,449	3,887	3,551	4,027	4,135	4,249
Net Curr. Assets	**51,484**	**49,842**	**54,650**	**23,695**	**34,165**	**49,083**	**66,019**	**85,842**
Def. tax liability	5,470	7,472	8,144	16,531	20,403	20,252	20,252	20,252
Appl. of Funds	**1,68,337**	**1,73,042**	**1,83,097**	**2,03,900**	**2,32,390**	**2,53,092**	**2,66,089**	**2,82,164**

Financials and valuations

Ratios

Y/E March	2021	2022	2023	2024	2025	2026	2027E	2028E
Basic (INR)								
EPS	**9.2**	**10.2**	**11.4**	**14.3**	**13.0**	**15.3**	**19.4**	**22.5**
Cash EPS	11.5	12.7	14.0	17.5	19.0	23.2	28.5	32.0
BV/Share	146.9	153.0	164.5	162.3	202.1	236.4	250.4	267.9
DPS	4.1	6.1	6.1	6.5	6.5	6.5	6.5	6.5
Payout (%)	43.6	59.6	46.7	55.2	50.3	43.0	33.6	28.8
Dividend yield (%)	0.4	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Valuation (x)								
P/E	113.7	102.6	92.2	73.2	81.0	68.7	54.2	46.6
Cash P/E	91.5	82.9	74.8	59.8	55.1	45.2	36.8	32.8
P/BV	7.1	6.9	6.4	6.5	5.2	4.4	4.2	3.9
EV/Sales	8.1	7.6	6.8	6.3	5.4	4.7	4.2	3.8
EV/EBITDA	61.2	55.2	50.8	43.2	38.5	34.4	28.1	24.7
Dividend Yield (%)	0.4	0.6	0.6	0.6	0.6	0.6	0.6	0.6
FCF per share	15.7	13.5	12.4	16.8	16.1	19.9	16.0	24.3
Return Ratios (%)								
RoE	6.2	6.6	6.9	8.5	7.1	7.2	8.5	9.3
RoCE	8.2	8.9	9.5	10.5	9.1	9.0	10.6	11.5
RoIC	10.9	10.5	11.2	12.1	10.5	10.8	12.8	14.6
Working Capital Ratios								
Fixed Asset Turnover (x)	2.9	2.9	3.1	1.9	1.9	2.2	2.5	2.8
Asset Turnover (x)	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.9
Debtor (Days)	24	25	21	21	18	21	22	22
Creditor (Days)	51	56	62	64	73	71	70	70
Inventory (Days)	71	67	72	66	75	64	72	72
Leverage Ratio (x)								
Net Debt/Equity	-0.2	-0.1	-0.1	0.0	-0.1	-0.1	-0.1	-0.2

Cash flow statement (INRm)

Y/E March	2021	2022	2023	2024	2025	2026	2027E	2028E
EBITDA	**15,438**	**17,188**	**18,565**	**22,470**	**24,794**	**27,470**	**33,334**	**37,061**
Prov. & FX	41	7	4	123	0	0	0	0
WC	3,054	1,992	340	1,929	-23	1,817	-6,759	-1,285
Others	1,203	-258	175	-1,208	-241	285	0	0
Direct taxes (net)	-3,173	-3,770	-4,470	-3,947	-3,962	-5,353	-6,738	-7,701
CF from Op. Activity	**16,564**	**15,158**	**14,613**	**19,367**	**20,567**	**24,219**	**19,837**	**28,075**
Capex	-2,107	-2,733	-3,118	-3,347	-4,595	-4,486	-4,000	-4,000
FCFF	**14,457**	**12,425**	**11,495**	**16,020**	**15,971**	**19,733**	**15,837**	**24,075**
Interest/dividend	731	881	1,214	1,906	1,180	1,063	2,046	2,168
Investments in subs/assoc.	-2,241	-7,362	-1,957	-38,844	-19,340	0	0	0
Others	-467	-4,004	-4,417	20,976	-781	-10,559	0	0
CF from Inv. Activity	**-4,084**	**-13,218**	**-8,278**	**-19,309**	**-23,536**	**-13,982**	**-1,954**	**-1,832**
Share capital	0	0	0	0	0	0	0	0
Borrowings	-573	-4,947	-38	12,540	-11,602	-641	0	0
Finance cost	-654	-625	-817	-1,183	-2,606	-1,115	-1,484	-1,484
Dividend	-2,673	-3,982	-5,734	-8,089	-7,415	-8,203	-6,432	-6,432
Others	851	1,613	7,791	-11,912	28,762	11,509	0	0
CF from Fin. Activity	**-3,049**	**-7,941**	**1,203**	**-8,643**	**7,139**	**1,549**	**-7,917**	**-7,917**
(Inc)/Dec in Cash	**9,430**	**-6,001**	**7,538**	**-8,586**	**4,170**	**11,786**	**9,966**	**18,327**
Opening balance	24,550	33,980	27,979	35,517	26,931	31,101	42,887	52,853
Closing balance (as per B/S)	**33,980**	**27,979**	**35,517**	**26,931**	**31,101**	**42,887**	**52,853**	**71,180**

Explanation of Investment Rating	
Investment Rating	**Expected return (over 12-month)**
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412 and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL),NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx. As per Regulatory requirements, Research Audit Report is uploaded on www.motilaloswal.com > MOFSL-Important Links > MOFSL Research Analyst Compliance Audit Report.

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the"1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore.This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL .

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.

Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
Contact: (+65) 8328 0276

Specific Disclosures

1. Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies).
   MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: Yes.
   Nature of Financial interest is holding equity shares or derivatives of the subject company
2. Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.
   MOFSL has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report:No
3. Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.
   MOFSL may have received compensation from the subject company(ies) in the past 12 months.
4. Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.
   MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
5. Research Analyst has not served as an officer, director or employee of subject company(ies).
6. MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
7. MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
8. MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
9. MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
10. MOFSL has not engaged in market making activity for the subject company.

The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may 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. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. 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. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed 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, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028, AMFI registered Mutual Fund Distributor and SIF Distributor: ARN .: 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.