2 November 2026
2QFY27 Results Update | Sector: Consumer

Marico

Estimate changes	⇔
TP change	⇑
Rating change	⇔

CMP: INR799 **TP: INR975 (+22%)** **Buy**

Robust earnings growth; positive revision in guidance

- Marico (MRCO) reported consolidated revenue growth of 13% YoY to INR39b in 2QFY27 (below est.). Domestic revenue grew 9% YoY, supported by healthy 10% volume growth, while international business delivered 13% constant-currency growth (CCG; +23% INR). Parachute volume rebounded by 13%, while Value-Added Hair Oils (VAHO) and Foods sustained strong growth momentum. Demand trends remained resilient and MRCO witnessed healthy growth across general and organized trade, along with an acceleration in quick commerce, despite rising inflation.
- GM expanded strongly by 600bp YoY to 48.1% (beat), aided by softer copra prices and favorable portfolio mix. MRCO accelerated brand investment to drive product innovation (A&P up 44%). EBITDA margin expanded 200bp YoY to 18.2% (beat). EBITDA grew by a strong 27% YoY to INR7.1b (beat).
- Management raised its FY27 EBITDA growth guidance to mid-20s from high-teens earlier, backed by a favorable mix, stronger Parachute volumes and improving profitability in Foods and Digital-first. MRCO expects mid-teen revenue growth, double-digit India volume growth, mid-teen CCG in International, and 150bp EBITDA margin expansion in FY27 (1H: 130bp).
- MRCO targets INR200b in revenue by FY30, with scope to achieve it by FY29 if the current momentum sustains. We are positive on MRCO, supported by resilient core volume growth, improving premiumization and the profitable scale-up of Foods and Digital-first businesses. We model EBITDA margins of 19-20% for FY27/FY28.
- We model a CAGR of 12% in revenue and 18% in EBITDA over FY26-29E. Earnings upgrade is a rare case in such a challenging environment. Limited consumer companies across discretionary and non-discretionary could achieve such earnings delivery over the next 12-months. The stock is trading at 39x/34x FY28E/FY29E EPS. **We reiterate our BUY rating with a TP of INR975. MRCO remains one of our top picks in our coverage universe.**

Robust 27% EBITDA growth; volume up 10%

- **Double-digit volume and revenue growth continues:** Consolidated net sales grew 13% YoY to INR39b in 2QFY27 (est. INR40.7b). Domestic revenue grew 9% YoY, supported by healthy 10% volume growth. Demand trends remained resilient amid a volatile operating environment, although MRCO continues to monitor evolving inflationary and geopolitical conditions. International business delivered 13% CCG (23% in INR terms). Bangladesh/ Vietnam/MENA/South Africa posted strong 5%/22%/15%/15% CCG. NCD and Exports also remained healthy with 17% growth during the quarter.

Bloomberg	MRCO IN
Equity Shares (m)	1300
M.Cap.(INRb)/(USDb)	1038.3 / 10.9
52-Week Range (INR)	890 / 706
1, 6, 12 Rel. Per (%)	-2/5/19
12M Avg Val (INR M)	1515

Financials & Valuations (INR b)

Y/E March	2027E	2028E	2029E
Sales	155.4	171.8	189.5
Sales Gr. (%)	15.3	10.5	10.3
EBITDA	29.5	34.1	38.8
EBITDA Margin. %	19.0	19.8	20.5
Adj. PAT	22.6	26.5	30.5
Adj. EPS (INR)	17.4	20.4	23.5
EPS Gr. (%)	27.9	17.4	15.0
BV/Sh.(INR)	36.3	42.2	50.1
Ratios			
RoE (%)	50.6	52.0	50.9
RoCE (%)	46.4	48.1	47.4
Payout (%)	77.7	71.1	66.0
Valuations			
P/E (x)	45.9	39.1	34.0
P/BV (x)	22.0	18.9	15.9
EV/EBITDA (x)	34.0	29.1	25.2
Div. Yield (%)	1.7	1.8	1.9

Shareholding Pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	58.8	58.9	58.9
DII	14.1	13.0	12.0
FII	22.6	23.6	24.5
Others	4.5	4.5	4.6

FII includes depository receipts

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Investors are advised to refer through important disclosures made at the last page of the Research Report.
MotilalOswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

- **Broad-based growth across categories:** Parachute Coconut Oil reported 1% value growth, while volumes grew 13% (highest in 22 quarters), as the benefit of easing copra prices was passed on through price cuts, and prior pricing actions were anniversarized. VAHO sustained healthy momentum with 21% value growth, aided by key franchises, particularly accelerating growth in Almond Hair Oil. Saffola Edible Oils **posted** 6% revenue growth, despite high-single-digit volume decline, as MRCO continued to rationalize supplies of select variants to protect long-term profitability. Foods portfolio grew 45% YoY, crossing INR15b in annualized revenue run-rate. Saffola Foods delivered early-teen growth, led by Oats, Muesli and Soya Chunks.
- **Sharp expansion in margins:** Consolidated gross margin expanded 600bp YoY/ 150bp QoQ to 48.1% (est. 44%), supported by moderation in copra prices and favorable portfolio mix. MRCO indicated that copra prices have dropped ~35% from peak levels (-31% YTD), and remained range-bound in 2Q. Employee/ advertising/other expenses grew 19%/44%/26% YoY. Despite high operating expenditure, EBITDA margin expanded 200bp YoY to 18.2% (est. 17.2%), highlighting the strong operating leverage from gross margin recovery.
- **Double-digit earnings growth continued in 2Q:** EBITDA grew 27% YoY to INR7.1b (est. INR7b), while PBT grew 23% YoY to INR6.7b (est. INR6.8b). APAT was up 31% YoY at INR5.5b (est. INR5.3b), aided by a lower-than-expected tax.
- In 1HFY27, revenue/EBITDA/APAT grew 18%/19%/28%.

Highlights from the management commentary

- Domestic demand remained resilient, aided by policy stimulus, while food, edible oil, and fuel inflation rose. MRCO continues to monitor geopolitical developments, crude, and deficient rainfall in certain states.
- Management raised FY27 EBITDA growth guidance to mid-20s, from high teens earlier (2-yr CAGR). Revenue should deliver teen growth and comfortably cross INR150b.
- India volume growth is expected in double digits for FY27. International should sustain mid-teen CCG, with growth accelerating in 2H, led by Bangladesh.
- Operating margin is expected to expand 120-150bp in FY27 (+130bp in 1HFY27).
- Management maintains 4-6% medium-term volume growth for Parachute.

Valuation and view

- We largely maintain our EBITDA estimates for FY27 and FY28.
- MRCO expects to comfortably cross revenue of INR150b in FY27 on teen growth, with mid-20s EBITDA growth and double-digit India volume growth. It targets INR200b by FY30 on a double-digit revenue CAGR over FY26-30, backed by top-quartile India volume growth and teen CCG in International, with mid-teen EBITDA CAGR.
- Diversification improves the resilience of the International portfolio. Bangladesh's revenue share has declined from 50% in FY20 to 45% in FY26 and MRCO expects it to fall to ~35% by FY30, while premium categories should rise from ~30% to ~40%. International ex-Bangladesh targets 20%+ revenue CAGR through FY30, with EBITDA margin expanding from high teens to the twenties.
- To improve its domestic distribution reach, MRCO has started Project SETU, which helps drive growth in GT through a transformative expansion of its direct reach.

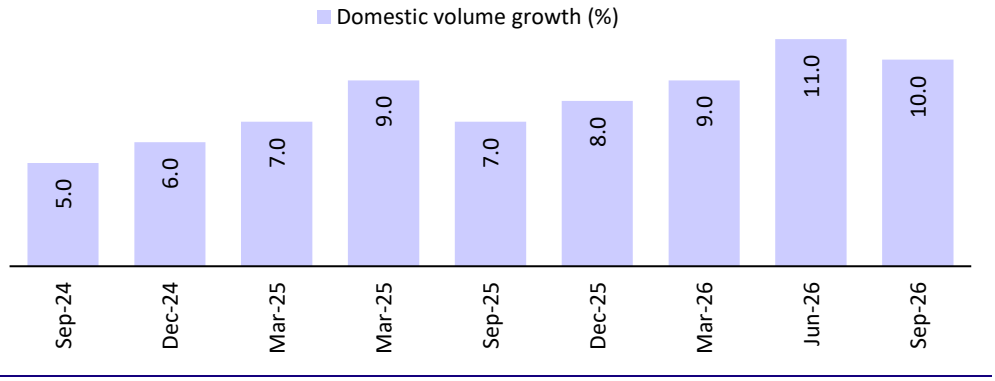
- In line with its aspiration of delivering a double-digit revenue CAGR and mid-teen EBITDA CAGR over FY26-30, we model a CAGR of 12% in revenue and 18% in EBITDA over FY26-29E. MRCO has sustained its growth trajectory and is diversifying revenue streams with a strong focus on TAM expansion. **We reiterate our BUY rating on the stock with a TP of INR975 (based on 45x Sep'28E EPS). MRCO remains one of our top picks in our coverage universe.**

Quarterly Performance **(INR m)**

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Domestic volume growth (%)	9.0	7.0	8.0	9.0	11.0	10.0	11.7	12.2	**8.3**	11.2	11.3	
Net Sales	**32,210**	**34,500**	**35,060**	**33,010**	**39,570**	**38,970**	**39,767**	**37,090**	**1,34,780**	**1,55,397**	**40,735**	-4.3%
YoY Change (%)	21.9	29.5	25.5	20.9	22.9	13.0	13.4	12.4	24.4	15.3	18.1	
Gross Profit	**14,910**	**14,530**	**15,090**	**14,660**	**18,450**	**18,750**	**19,088**	**17,836**	**59,190**	**74,124**	**17,923**	4.6%
Gross margin (%)	46.3	42.1	43.0	44.4	46.6	48.1	48.0	48.1	43.9	47.7	44.0	
EBITDA	**6,550**	**5,600**	**5,980**	**5,210**	**8,190**	**7,090**	**7,658**	**6,530**	**23,340**	**29,468**	**7,010**	1.1%
Margins (%)	20.3	16.2	17.1	15.8	20.7	18.2	19.3	17.6	17.3	19.0	17.2	
YoY Change (%)	4.6	7.3	12.2	13.8	25.0	26.6	28.1	25.3	9.1	26.3	25.2	
Depreciation	450	470	500	600	560	640	590	559	2,020	2,349	575	
Interest	100	120	140	170	210	240	150	100	530	700	200	
Other Income	560	490	390	600	480	530	450	576	2,040	2,036	540	
PBT	**6,560**	**5,500**	**5,730**	**5,040**	**7,900**	**6,740**	**7,368**	**6,447**	**22,830**	**28,455**	**6,775**	-0.5%
Tax	1,430	1,180	1,070	960	1,380	1,160	1,474	1,393	4,640	5,406	1,355	
Rate (%)	21.8	21.5	18.7	19.0	17.5	17.2	20.0	21.6	20.3	19.0	20.0	
Adjusted PAT	**5,040**	**4,200**	**4,515**	**3,910**	**6,300**	**5,500**	**5,767**	**5,022**	**17,665**	**22,589**	**5,292**	3.9%
YoY Change (%)	8.6	7.3	13.2	14.0	25.0	31.0	27.7	28.5	10.6	27.9	26.0	
Reported PAT	**5,040**	**4,200**	**4,470**	**3,910**	**6,300**	**5,500**	**5,767**	**5,022**	**17,620**	**22,589**	**5,292**	

E: MOFSL Estimates

Exhibit 1: Domestic volume grew 10% YoY in 2QFY27



Source: Company

Exhibit 2: Consolidated segmental details

Particulars	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27
Sales growth (%)						
Domestic	26.6	34.8	27.6	20.5	20.9	9.3
International	8.4	19.0	23.5	22.2	29.3	20.4
Total	**21.9**	**30.7**	**26.6**	**20.9**	**22.9**	**11.9**
EBIT margin (%)						
Domestic EBIT margin	18.9	14.9	16.0	14.7	19.3	18.5
International EBIT margin	28.9	23.9	24.1	24.6	26.9	22.1
Total	**21.2**	**17.0**	**17.9**	**17.1**	**21.2**	**19.4**

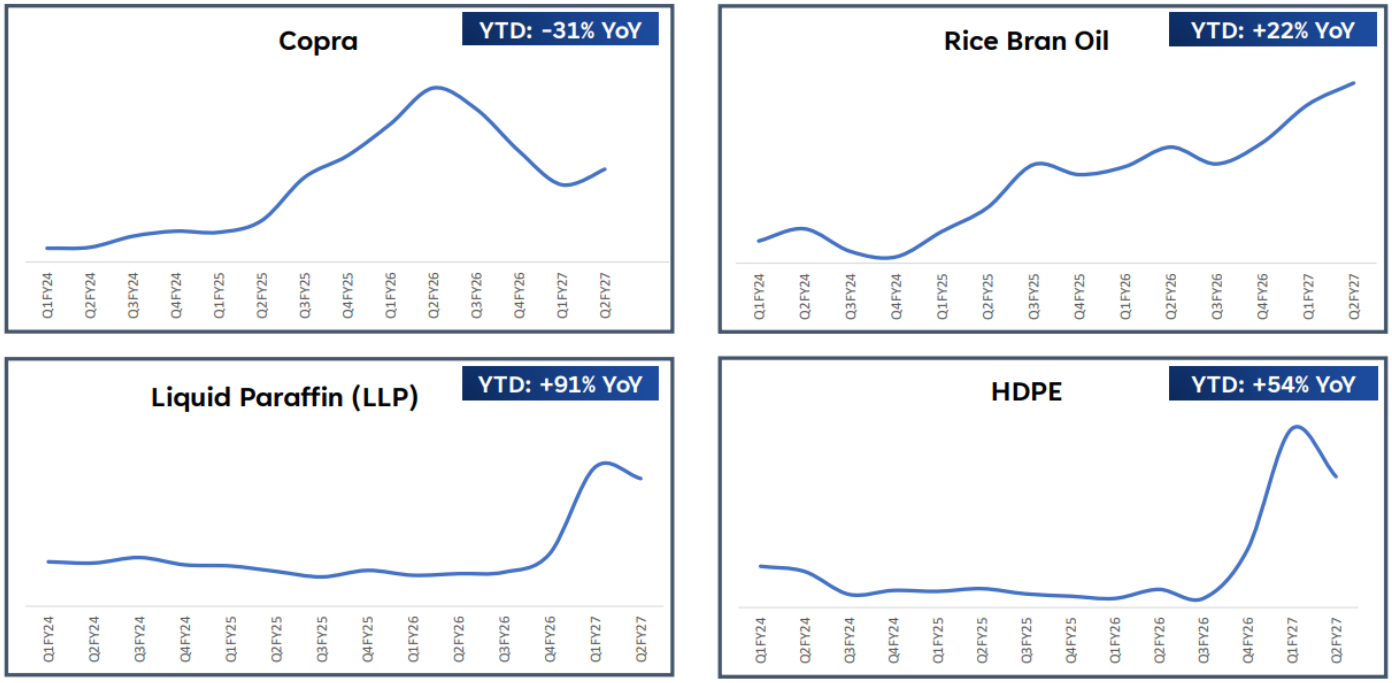
Exhibit 3: Market share of key categories in the Indian business

Franchise	~MS%	Rank
^ Parachute Rigids within Coconut Oil	60%	1st
* Saffola Oats	42%	1st
* Value Added Hair Oils	30%	1st
^ Post wash Leave-on Serums	44%	1st
^ Hair Gels/Waxes/Creams	50%	1st

^ Volume market share, *Value market share

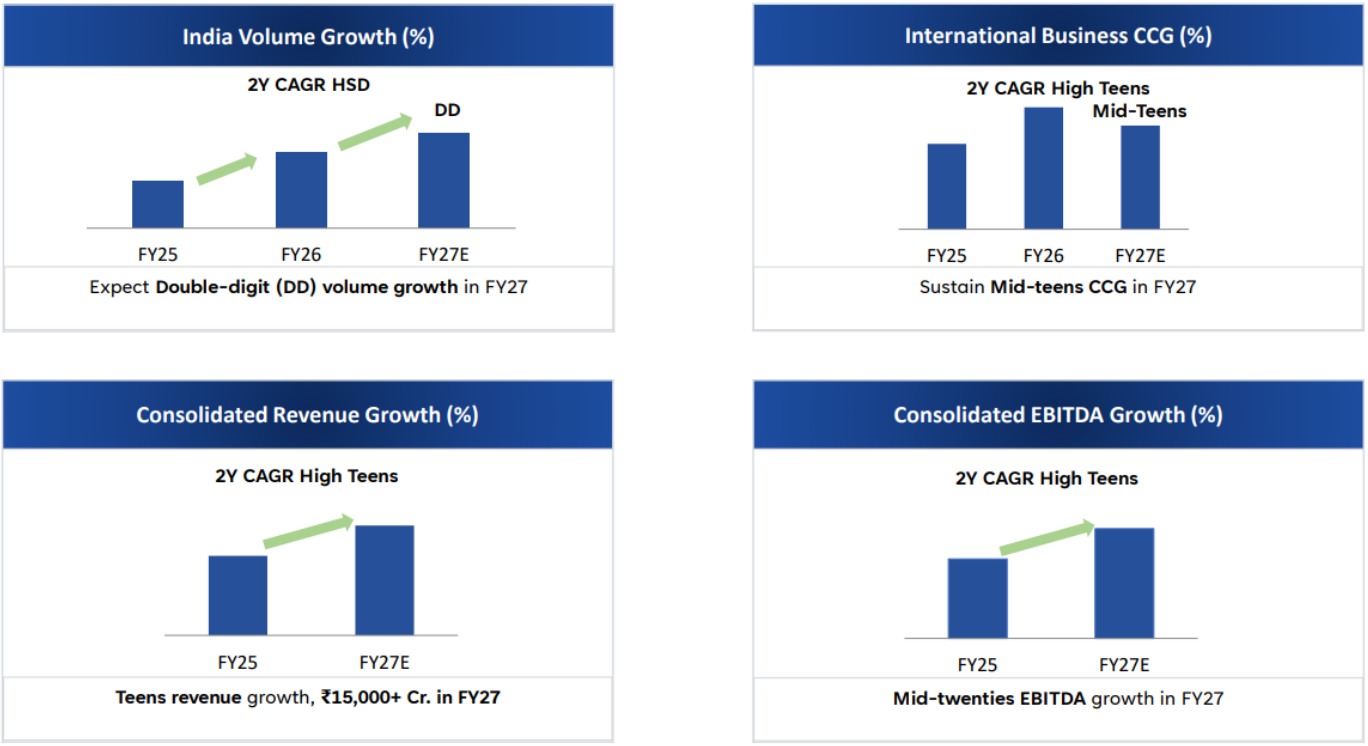
Source: Company

Exhibit 4: Movements of key raw material prices



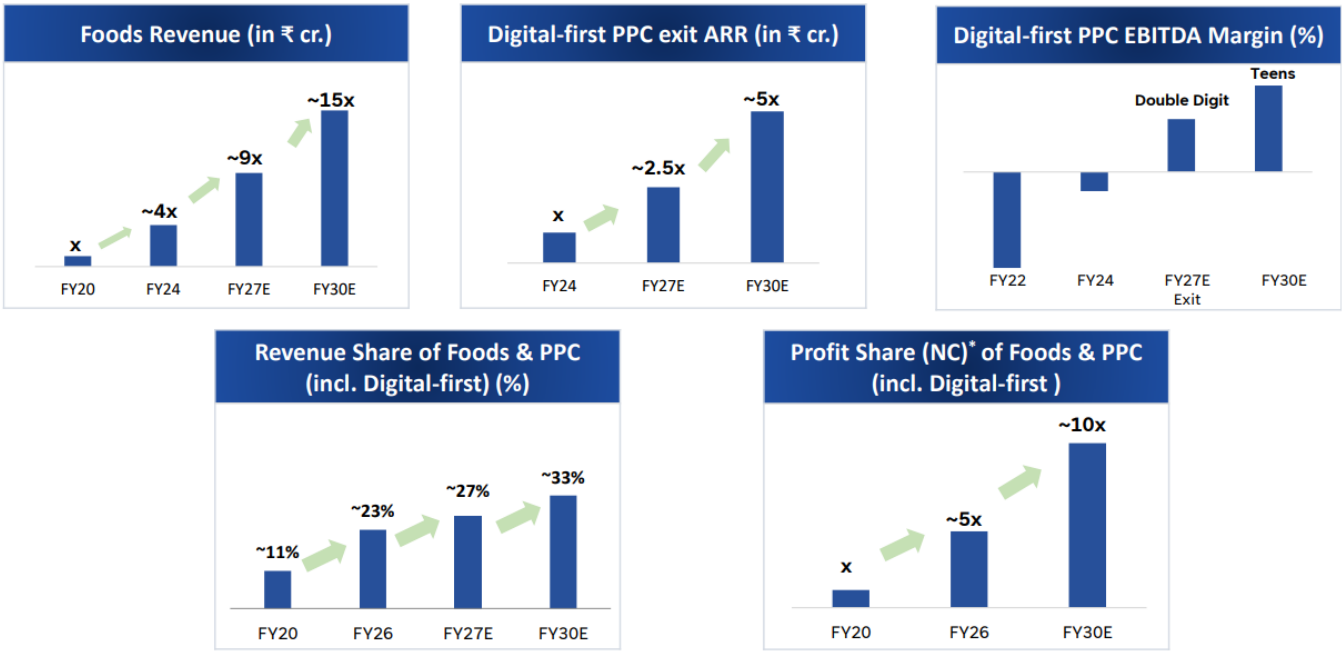
Source: Company

Exhibit 5: MRCO aspires for INR150b revenue in FY27 with ~25% EBITDA growth



Source: Company

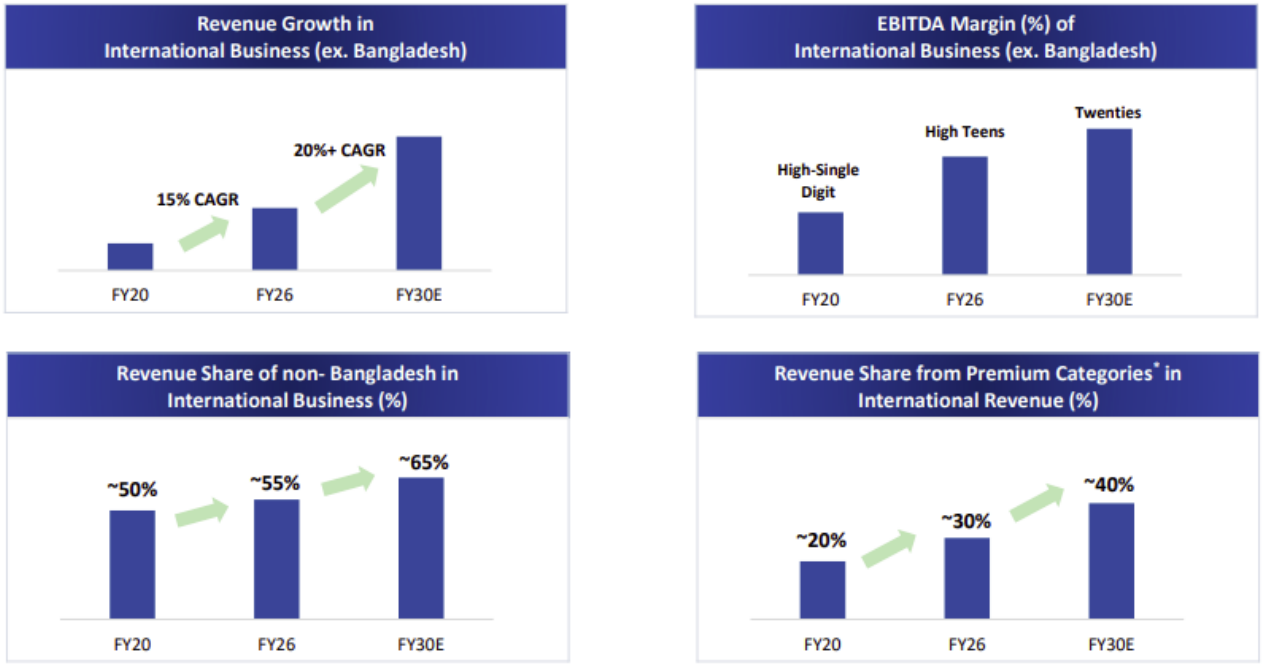
Exhibit 6: MRCO to focus on profitable scale-up of high-growth businesses



*Profit refers to Net Contribution (NC) calculated as Net Revenues less all variable costs and marketing expenses - equivalent to CM3.

Source: Company

Exhibit 7: Revenue salience of Bangladesh business to come down from ~45% in FY26 to ~35% by FY30



*Premium Categories – Beauty & Personal Care incl. Hair Cleansing, Hair Styling/ Care (ex-Hair oils), Skin Care and Baby Care

Source: Company



Key highlights from the management commentary

Business environment and outlook

- **Domestic demand remained resilient, aided by policy stimulus, while food, edible oil and fuel inflation rose. MRCO continues to monitor geopolitical developments, crude, and deficient rainfall in certain states.**
- Consolidated revenue grew 13% to INR39b, driven by 10% India volume growth and 13% CCG in International.
- Over 95% of the business gained or sustained market share and penetration on a MAT basis.
- GT and organized trade grew in double digits, with accelerated growth in quick commerce.
- Project SETU has expanded its direct reach >1.5x and roughly doubled rural stockists between FY24 and FY27YTD, adding a structural 1-2% to volume growth. Phase 1 is ~70% complete.
- SETU 2.0 will focus on AI-led assortment selling, gamified sales calls, a dedicated Foods and Premium Personal Care GTM, and taking digital-first brands into GT. SETU is showing results in Vietnam and is in early rollout in Bangladesh.

Guidance

- **Management raised FY27 EBITDA growth guidance to mid-20s, from high teens earlier (2 yr CAGR). Revenue should deliver teens growth and comfortably cross INR150b.**
- **India volume growth is expected in double digits for FY27. International should sustain mid-teens CCG, with growth accelerating in 2H, led by Bangladesh.**
- EBITDA growth is expected to be at least in mid-teens from FY28.

- In the medium term, MRCO targets INR200b revenue by FY30 on double-digit CAGR, with mid-teens EBITDA CAGR, top-quartile India volume growth and teens CCG in International. That said, management sees scope to achieve this by FY29, if current momentum sustains.

Material costs, margin, and guidance

- Gross margin expanded ~600bp YoY to 48.1%, led by favorable portfolio mix and softer copra.
- Copra prices stayed range-bound, ~35% below last year's peak (YTD -31% YoY). Crude-linked inputs and vegetable oils rose further: liquid paraffin +91%, HDPE +54% and rice bran oil +22% YTD YoY.
- MRCO plans to offset crude-linked inflation through brand pricing power, procurement advantage and its 'MarVal' cost program.
- A&P grew 44% to 11.6% of sales (+250bp YoY), directed mainly at shampoo and almond hair oil, alongside VAHO, core Foods and Parachute outside its core markets. Ad spends to sales should stay ~10-10.5% for FY27.
- Operating margin is expected to expand 120-150bp in FY27 (+130bp in 1HFY27).

Segmental performance

Parachute coconut oil

- Parachute Rigids volume grew 13%, the highest in 22 quarters, while value grew ~1%, reflecting price cuts taken at the start of the year. Volume market share rose 570bp+ to a new high of 60%.
- Volume was driven by a single price cut in loyalty packs that reversed last year's downtrading, faster pass-through via the thin pipeline, and deeper rural reach through SETU.
- Supply-chain disruptions hurting smaller players, procurement advantage and muted organized competition also aided share gains. Management flagged the supply-chain benefit as transient.
- **Management maintains 4-6% medium-term volume growth for Parachute.**

Saffola oil

- Saffola Edible Oils revenue grew 6% with a high single-digit volume decline, as MRCO rationalized low-margin variants. The reset should be completed over the next 2-3 quarters.
- Towards 2Q-end, MRCO cut prices to pass on the reduction in vegetable oil import duties, which should weigh on 3Q value growth.
- The premium portfolio, led by cold-pressed oils and Saffola Total, continued to grow significantly ahead of the franchise.
- MRCO expects this segment to deliver mid-single-digit volume growth in the medium term.

VAHO

- Value-Added Hair Oils delivered 21% value growth. Value market share rose 80bp on a MAT basis to ~30%.
- Mid and premium segments delivered mid-teen volume growth and remain margin-accretive.

- Almond hair oil accelerated further and remains on track for an INR1b+ ARR by FY28. The medium-term aspiration is an INR2-2.5b ARR by FY30.

Foods

- Foods grew 45%, crossing an INR15b ARR, with profitability improving on unit economics and mix. Saffola Foods delivered early-teen growth led by oats, muesli and soya chunks, and Saffola Oats holds ~42% value share.
- True Elements, 4700BC and Cosmix accelerated sequentially, with 4700BC and Cosmix tracking ahead of acquisition assumptions.
- Management expects 4700BC should break even well ahead of their internal target, and run-rates will be disclosed in 3Q.
- The company stated that synergies from acquired brands are unlocked from day one and reinvested in A&P.

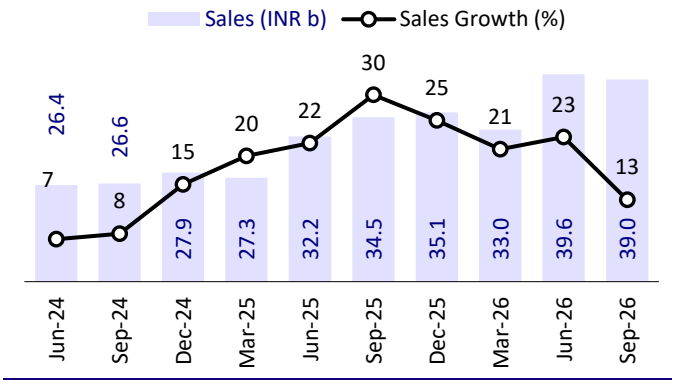
Premium Personal Care

- Premium Personal Care crossed an INR5b ARR, led by Livon Serums (~44% volume share in leave-on serums) and Parachute Advansed Protein Shampoo.
- Shampoo should cross an INR1b ARR in its first year, with a medium-term aspiration of INR4-5b.
- The digital-first portfolio is at ~INR11.5b ARR. Beardo should cross INR4b this year, having scaled >6x since 2020 with a 1,900bp profitability improvement.
- Just Herbs is back on track and should break even over the next couple of quarters.
- Digital-first businesses are expected to reach double-digit EBITDA margin by FY27 exit and teens in the medium term. Exit ARR is targeted at ~5x the FY24 level by FY30.
- Foods, Premium Personal Care and Digital-first together are targeted to grow 20-25%. Their share of India revenue should rise from ~23% in FY26 to ~27% in FY27 and ~33% by FY30, with their net contribution reaching ~10x the FY20 level by FY30.
- **At the consolidated level, the premium and digital share of revenue should rise from 37% in FY26 to 44% in FY27 and 50% by FY30.**

International business

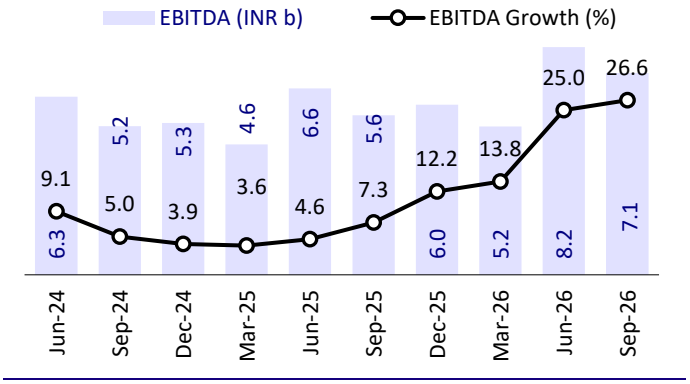
- International grew 13% in CC and 23% in INR terms; 1H CCG was 14%.
- Bangladesh delivered 5% CCG, a marginal sequential improvement despite persistent inflation and a high base. Growth should improve gradually through consumer activation and SETU rollout.
- Vietnam delivered 22% CCG, led by broad-based growth and accelerating e-commerce.
- MENA delivered 15% CCG, led by the Gulf. South Africa grew 15% CCG, led by hair care, and NCD and exports grew 17%.

Exhibit 8: Consolidated sales grew 13% YoY to INR39b



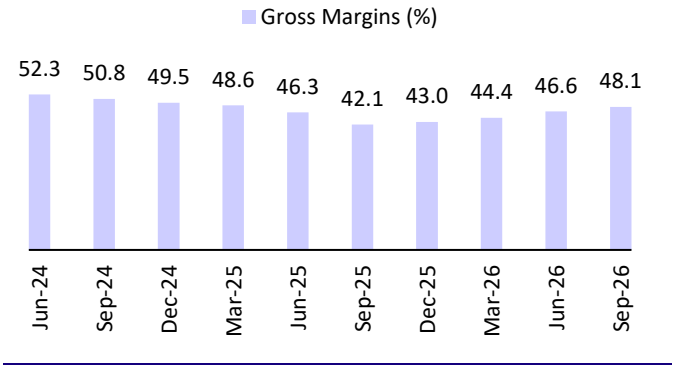
Source: Company, MOFSL

Exhibit 9: EBITDA grew 26.6% YoY to INR7.1b



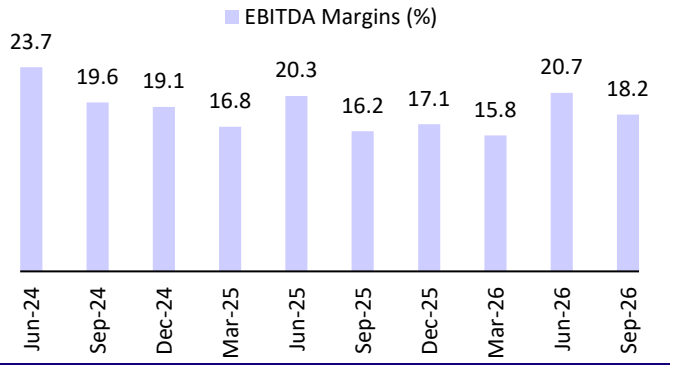
Source: Company, MOFSL

Exhibit 10: GP margin expanded 600bp YoY to 48.1%



Source: Company, MOFSL

Exhibit 11: EBITDA margin expanded 200bp YoY to 18.2%



Source: Company, MOFSL

Valuation and view

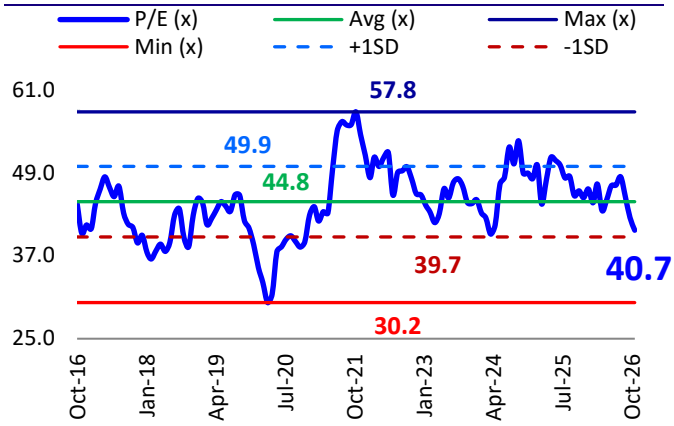
- We largely maintain our EBITDA estimates for FY27 and FY28.
- MRCO expects to comfortably cross INR150bn revenue in FY27 on teens growth, with mid-20s EBITDA growth and double-digit India volume growth. It targets INR200bn by FY30 on a double-digit revenue CAGR over FY26-30, backed by top-quartile India volume growth and teens CCG in International, with mid-teens EBITDA CAGR.
- Diversification is improving the resilience of the International portfolio. Bangladesh's revenue share has declined from ~50% in FY20 to ~45% in FY26 and MRCO expects it to fall to ~35% by FY30, while premium categories should rise from ~30% to ~40%. International ex-Bangladesh targets 20%+ revenue CAGR through FY30, with EBITDA margin expanding from high teens to the twenties.
- To improve its domestic distribution reach, MRCO has also started Project SETU, which helps drive growth in GT through a transformative expansion of its direct reach.
- In line with its aspiration of to delivering a double-digit revenue CAGR with mid-teen EBITDA CAGR over FY26-30, we model a 12% revenue and 18% EBITDA CAGR over FY26-29E. MRCO has sustained its growth trajectory and is diversifying revenue streams with a strong focus on TAM expansion. **We reiterate our BUY rating on the stock with a TP of INR975 (based on 45x Sept'28E EPS). MRCO remains one of our topics in our coverage universe.**

Exhibit 12: We largely maintain our EPS estimates for FY27-FY28

	Old		New		Change	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Sales	1,55,180	1,70,185	1,55,397	1,71,757	0.1	0.9
EBITDA	28,728	33,606	29,468	34,068	2.6	1.4
PAT	21,990	26,148	22,589	26,522	2.7	1.4

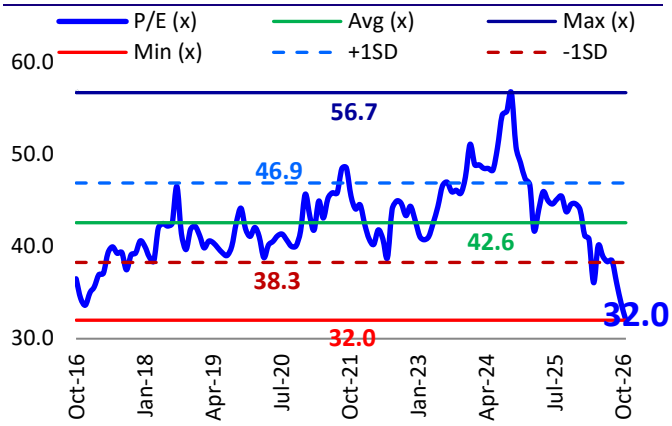
Source: Company, MOFSL

Exhibit 13: MRCO's P/E (x)



Source: Company, MOFSL

Exhibit 14: Consumer sector's P/E (x)



Source: Company, MOFSL

Financials and valuations

Income Statement (INR m)

Y/E March	2021	2022	2023	2024	2025	2026	2027E	2028E	2029E
Net Sales	**80,480**	**94,266**	**97,640**	**96,530**	**1,08,310**	**1,34,780**	**1,55,397**	**1,71,757**	**1,89,486**
Change (%)	10.0	17.1	3.6	-1.1	12.2	24.4	15.3	10.5	10.3
COGS	42,740	54,360	53,510	47,480	53,880	75,590	81,273	89,314	98,154
Gross Profit	**37,740**	**39,906**	**44,130**	**49,050**	**54,430**	**59,190**	**74,124**	**82,444**	**91,332**
Margin (%)	46.9	42.3	45.2	50.8	50.3	43.9	47.7	48.0	48.2
Operating Expenses	21,860	23,096	26,030	28,790	33,040	35,850	44,657	48,375	52,567
EBITDA	**15,880**	**16,810**	**18,100**	**20,260**	**21,390**	**23,340**	**29,468**	**34,068**	**38,765**
Change (%)	8.1	5.9	7.7	11.9	5.6	9.1	26.3	15.6	13.8
Margin (%)	19.7	17.8	18.5	21.0	19.7	17.3	19.0	19.8	20.5
Depreciation	1,390	1,390	1,550	1,580	1,780	2,020	2,349	2,488	2,600
Int. and Fin. Charges	340	390	560	730	530	530	700	735	772
Other Income - Recurring	1,131	958	1,440	1,420	1,660	2,040	2,036	2,408	2,736
Profit before Taxes	**15,281**	**15,988**	**17,430**	**19,370**	**20,740**	**22,830**	**28,455**	**33,253**	**38,129**
Change (%)	8.9	4.6	9.0	11.1	7.1	10.1	24.6	16.9	14.7
Margin (%)	19.0	17.0	17.9	20.1	19.1	16.9	18.3	19.4	20.1
Current Tax (excl MAT Ent)	3,240	3,460	4,210	4,350	4,580	4,640	5,406	6,318	7,245
Deferred Tax	0	0	0	0	0	0	0	0	0
Tax Rate (%)	21.2	21.6	24.2	22.5	22.1	20.3	19.0	19.0	19.0
Minority Interest	-310	-290	-200	-210	-290	-510	-459	-413	-372
Profit after Taxes	**11,731**	**12,238**	**13,020**	**14,810**	**15,975**	**17,665**	**22,589**	**26,522**	**30,513**
Change (%)	11.7	4.3	6.4	13.7	7.9	10.6	27.9	17.4	15.0
Margin (%)	14.6	13.0	13.3	15.3	14.7	13.1	14.5	15.4	16.1
Extraordinary items	231	-22	0	0	315	-45	0	0	0
Reported PAT	**11,962**	**12,216**	**13,020**	**14,810**	**16,290**	**17,620**	**22,589**	**26,522**	**30,513**

Balance Sheet (INR m)

Y/E March	2021	2022	2023	2024	2025	2026	2027E	2028E	2029E
Share Capital	1,290	1,290	1,290	1,290	1,290	1,300	1,300	1,300	1,300
Reserves	31,110	31,890	36,700	37,030	38,460	40,800	45,839	53,511	63,874
Net Worth	**32,400**	**33,180**	**37,990**	**38,320**	**39,750**	**42,100**	**47,139**	**54,811**	**65,174**
Minority Interest	180	570	1,570	3,370	2,910	2,840	3,299	3,712	4,084
Loans	3,480	3,450	4,750	3,830	3,790	3,550	2,850	2,650	2,450
Capital Employed	**36,060**	**37,200**	**44,310**	**45,520**	**46,450**	**48,490**	**53,288**	**61,173**	**71,708**
Gross Fixed Assets	15,450	17,910	22,240	28,590	30,770	41,540	43,540	45,540	47,540
Less: Accum. Depn.	-5,460	-6,850	-8,400	-9,980	-11,760	-13,780	-16,129	-18,617	-21,217
Net Fixed Assets	**9,990**	**11,060**	**13,840**	**18,610**	**19,010**	**27,760**	**27,411**	**26,923**	**26,323**
Capital WIP	240	390	670	440	400	850	850	850	850
Goodwill	6,130	6,540	8,620	8,630	8,570	8,570	8,570	8,570	8,570
Investments	**8,540**	**8,280**	**10,960**	**6,020**	**15,900**	**20,830**	**20,830**	**20,830**	**20,830**
Current	6,280	6,410	5,780	2,590	13,750	19,480	19,480	19,480	19,480
Non-current	2,260	1,870	5,180	3,430	2,150	1,350	1,350	1,350	1,350
Deferred Charges	0	0	0	0	0	0	0	0	0
Curr. Assets, L&A	**28,340**	**29,420**	**33,910**	**39,830**	**38,930**	**41,490**	**54,058**	**68,414**	**86,052**
Inventory	11,280	14,009	12,250	13,360	12,350	16,110	19,779	21,817	24,027
Account Receivables	3,880	6,520	10,150	10,690	12,710	13,040	9,790	10,821	11,938
Cash and Bank Balance	9,250	5,391	7,560	9,430	7,770	4,930	16,303	26,973	40,615
Others	3,930	3,500	3,950	6,350	6,100	7,410	8,187	8,804	9,472
Curr. Liab. and Prov.	**18,200**	**19,270**	**23,370**	**25,900**	**34,450**	**48,520**	**55,941**	**61,923**	**68,426**
Current Liabilities	5,190	4,430	7,260	8,780	19,090	30,500	33,550	36,905	40,596
Accounts Payable	11,340	13,440	14,520	15,810	13,630	16,340	20,455	22,786	25,256
Provisions	1,670	1,400	1,590	1,310	1,730	1,680	1,937	2,232	2,574
Net Current Assets	**10,140**	**10,150**	**10,540**	**13,930**	**4,480**	**-7,030**	**-1,883**	**6,491**	**17,626**
Deferred Tax Liability	1,020	780	-320	-2,110	-1,910	-2,490	-2,490	-2,490	-2,490
Application of Funds	**36,060**	**37,200**	**44,310**	**45,520**	**46,450**	**48,490**	**53,288**	**61,173**	**71,708**

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	2021	2022	2023	2024	2025	2026	2027E	2028E	2029E
Basic (INR)									
EPS	**9.1**	**9.5**	**10.1**	**11.5**	**12.4**	**13.6**	**17.4**	**20.4**	**23.5**
Cash EPS	10.1	10.6	11.3	12.7	13.8	15.1	19.2	22.3	25.5
BV/Share	25.1	25.7	29.4	29.7	30.8	32.4	36.3	42.2	50.1
DPS	7.5	9.3	9.5	10.5	11.5	12.5	13.5	14.5	15.5
Payout %	80.9	97.7	94.1	91.5	91.1	92.2	77.7	71.1	66.0
Valuation (x)									
P/E	87.8	84.1	79.1	69.5	64.4	58.7	45.9	39.1	34.0
Cash P/E	79.1	75.4	70.7	62.8	58.0	52.7	41.6	35.8	31.3
EV/Sales	12.6	10.8	10.4	10.5	9.3	7.5	6.5	5.8	5.2
EV/EBITDA	63.9	60.6	56.1	50.2	47.2	43.5	34.0	29.1	25.2
P/BV	31.8	31.0	27.1	26.9	25.9	24.6	22.0	18.9	15.9
Dividend Yield (%)	0.9	1.2	1.2	1.3	1.4	1.6	1.7	1.8	1.9
Return Ratios (%)									
RoE	37.5	37.3	36.6	38.8	40.9	43.2	50.6	52.0	50.9
RoCE	35.3	35.0	33.5	34.7	36.0	39.2	46.4	48.1	47.4
RoIC	55.6	58.7	52.0	52.9	58.8	76.8	118.1	183.9	267.1
Working Capital Ratios									
Debtor (Days)	18	25	38	40	43	35	23	23	23
Asset Turnover (x)	2.2	2.5	2.2	2.1	2.3	2.8	2.9	2.8	2.6
Leverage Ratio									
Debt/Equity (x)	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0

Cash Flow Statement (INR m)

Y/E March	2021	2022	2023	2024	2025	2026	2027E	2028E	2029E
OP/(loss) before Tax	15,401	15,988	17,430	19,370	21,160	22,770	28,455	33,253	38,129
Others	-231	22	-580	-1,000	-1,300	-1,220	0	0	0
Depreciation	1,390	1,390	1,550	1,580	1,780	2,020	2,349	2,488	2,600
Interest Paid	340	390	70	-40	-240	390	700	735	772
Direct Taxes Paid	-3,240	-3,460	-3,690	-3,780	-4,840	-5,650	-5,406	-6,318	-7,245
(Incr)/Decr in WC	7,230	-3,728	-590	-2,260	-2,930	2,530	5,993	2,027	2,197
CF from Operations	**20,890**	**10,602**	**14,190**	**13,870**	**13,630**	**20,840**	**32,090**	**32,186**	**36,454**
(Incr)/Decr in FA	-3,210	-3,020	-1,570	-1,350	-1,220	-7,640	-2,000	-2,000	-2,000
Free Cash Flow	**17,680**	**7,582**	**12,620**	**12,520**	**12,410**	**13,200**	**30,090**	**30,186**	**34,454**
(Pur)/Sale of Investments	0	-130	-7,560	2,450	-5,690	180	0	0	0
Others	-1,380	870	2,709	2,320	-1,890	-3,430	-6	-5	-5
CF from Invest.	**-4,590**	**-2,280**	**-6,421**	**3,420**	**-8,800**	**-10,890**	**-2,006**	**-2,005**	**-2,005**
Issue of Shares	225	453	90	340	460	1,540	0	0	0
(Incr)/Decr in Debt	130	-30	1,280	-910	-50	-240	-700	-200	-200
Dividend Paid	-9,675	-11,933	-6,070	-12,290	-4,530	-9,080	-17,550	-18,850	-20,150
Others	-520	-670	-900	-2,560	-2,370	-5,010	-462	-461	-456
CF from Fin. Activity	**-9,840**	**-12,180**	**-5,600**	**-15,420**	**-6,490**	**-12,790**	**-18,712**	**-19,511**	**-20,806**
Incr/Decr of Cash	**6,460**	**-3,858**	**2,169**	**1,870**	**-1,660**	**-2,840**	**11,373**	**10,670**	**13,642**
Add: Opening Balance	2,790	9,250	5,391	7,560	9,430	7,770	4,930	16,303	26,973
Closing Balance	**9,250**	**5,391**	**7,560**	**9,430**	**7,770**	**4,930**	**16,303**	**26,973**	**40,615**

E: MOFSL Estimates

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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.

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