PL Capital
PRABHUDAS LILLADHER

ITC (ITC IN)

Q2FY27 Result Update

November 02, 2026

☑ Estimate Change | ☑ Target | ☑ Reco.

Change in Estimates

	Current		Previous	
	FY28E	FY29E	FY28E	FY29E
Rating	Accumulate		HOLD	
Target Price	294		291	
Sales (INR mn)	829,058	898,851	773,034	838,068
% Chng.	*7.2*	*7.3*		
EBITDA (INR mn)	258,095	273,946	246,797	264,558
% Chng.	*4.6*	*3.5*		
EPS (INR)	16.3	17.2	15.8	16.8
% Chng.	*3.2*	*2.4*		

Key Data	ITC.BO | ITC IN
BSE Code	500875
NSE Code	ITC
52-W High / Low	INR 421 / INR 252
Face Value	1
Sensex / Nifty	75,693 / 23,441
Market Cap	INR 3,339 bn / $ 35,179 mn
Shares Outstanding	12531.91 mn
3M Avg. Daily Value	INR 6,387.13 mn

Shareholding Pattern (%)

Promoters	-
FIIs	33.22
Mutual Funds	17.02
Domestic Institutions	32.84
Public & Others	16.92
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	4.1	(5.2)	(15.4)	(36.6)
Relative	(1.1)	(2.2)	(14.0)	(29.7)

Key Financials - Standalone

Y/e Mar	FY26	FY27E	FY28E	FY29E
Sales (INR mn)	719,838	745,504	829,058	898,851
EBITDA (INR mn)	252,082	215,867	258,095	273,946
Margin (%)	*35.0*	*29.0*	*31.1*	*30.5*
PAT (INR mn)	204,703	173,766	204,515	216,445
EV (INR mn)	3,139,750	3,179,713	3,181,422	3,173,946
Total Debt (INR mn)	20,262	-	-	-
C&C Eq. (INR mn)	21,355	28,934	56,332	84,122
EPS (INR)	16.3	13.8	16.3	17.2
Gr. (%)	*8.3*	*(15.2)*	*17.6*	*5.8*
DPS (INR)	14.5	13.0	14.0	15.5
Yield (%)	*5.4*	*4.9*	*5.3*	*5.8*
RoE (%)	*29.7*	*24.7*	*28.3*	*28.6*
RoCE (%)	*33.9*	*27.8*	*33.2*	*33.7*
EV/Sales (x)	4.4	4.3	3.8	3.5
EV/EBITDA (x)	12.5	14.7	12.3	11.6
PE (x)	16.3	19.2	16.4	15.5
P/BV (x)	4.8	4.7	4.5	4.3

Worst seems over, expect gradual recovery

Quick Pointers

- Cigarette volumes declined by ~8% in 2Q27, EBIT up Rs4.7bn QoQ
- FMCG, paper and Agri post strong growth in tough environment, outlook steady so far

ITC reported 8% decline in cigarette volumes, however EBIT increased by Rs4.7bn QoQ as it continued to increase prices to pass on excise burden. We estimate that ITC would have passed on more than 75-80% of burden so far, suggesting that steady recovery should continue. FMCG growth and margins have been positive across Food, HPC, Stationary, however margin trajectory needs to be watched out for given rising input costs, although demand remains steady so far. Paper business will likely gain from 1) extension of MIP 2) integration of century paper and higher prices, although input costs remain elevated. We expect gradual recovery to set in across businesses, however demand trends and any potential increase in cigarette duty need to be watched out for. We believe worst seems over, although cigarette volumes recovery will be gradual. However, downside seems limited given ~50% decline from the peak and 5% dividend yield. Upgrade to Accumulate from Hold.

2QFY27: Cigarette volumes declined ~8%, PAT up Rs4.7bn QoQ

Revenues grew by 1.8% YoY to Rs184bn (PLe:Rs156.79bn). EBITDA declined by 17.4% YoY to Rs51.6bn (PLe:Rs 49.70bn); Margins contracted by 653bps YoY to 28% (PLe:31.7%). Adj PAT declined by 18.2% YoY to Rs41.6bn (PLe:Rs40.95bn).

Cigarette Revenues grew by 78.1% YoY to Rs155.4bn; EBIT declined by 27% YoY to 38.1bn. Margins contracted by 3553bps YoY to 24.5%

FMCG Revenues grew by 15.7% YoY to Rs69.7bn; EBIT grew by 27% YoY to 5.6bn. Margins expanded by 80bps YoY to 8%, ex atta sales grew 23%

Agri Revenues grew by 12% YoY to Rs44.5bn; EBIT grew by 11% YoY to 5.1bn. Margins contracted by 7bps YoY to 11.5%

Paperboard & Paper Revenues grew by 35.9% YoY to Rs30.2bn; EBIT grew by 48% YoY to 2.8bn. Margins expanded by 74bps YoY to 9.3%. It includes 2 month sales of Century paper

Quarter Summary

Y/e Mar	Q2'27E	Q2'27A	*% Var.*	Q2'26A	*YoY gr. (%)*
Net Sales (INR mn)	1,56,785	1,84,010	*17.4*	1,80,213	*2.1*
EBITDA (INR mn)	49,701	51,595	*3.8*	62,520	*(17.5)*
Margin (%)	*31.7*	*28.0*	*(370) bps*	*34.7*	*(670) bps*
PAT (INR mn)	40,951	41,628	*1.7*	50,917	*(18.2)*

Source: Company, PL

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Exhibit 1: Quarterly Estimates

(INR mn)	1QFY27	YoY gr. (%)	2QFY27	YoY gr. (%)	3QFY27E	YoY gr. (%)	4QFY27E	YoY gr. (%)
Net Sales	1,69,076	-14.4	1,84,010	1.8	1,76,568	-2.0	2,15,850	34.5
EBITDA	45,143	-27.9	51,595	-17.4	57,385	-3.9	61,744	-3.9
Margins (%)	*26.7*	*-500.3 bps*	*28.0*	*-652.9*	*32.5*	*-63.3*	*28.6*	*-1143.1*
Adj. PAT	35,788	-27.1	41,371	-20.1	46,008	-9.6	50,598	-1.0

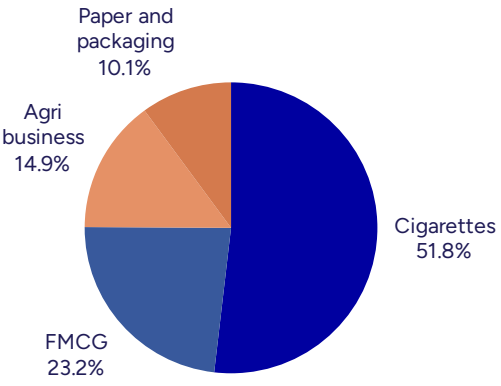
Source: Company, PL

Exhibit 2: Revenue grew by 1.8% YoY, EBITDA margin down by ~653bps YoY

Y/e March	Q2FY27	Q2FY26	YoY gr. (%)	Q2FY27E	% Var.	Q1FY27	1HFY27	1HFY26	YoY gr. (%)
Net Sales	**1,84,010**	**1,80,808**	***1.8***	**1,56,785**	***17.4***	**1,69,076**	**3,53,086**	**3,78,415**	***(6.7)***
Gross profit	92,073	98,575	*(6.6)*			82,857	1,74,930	1,95,386	*(10.5)*
Margins	50.0	54.5	*(4.48)*			49.0	49.5	51.6	*(2.1)*
Other Exp	40,478	36,074	*12.2*			1,28,000	78,192	70,277	*11.3*
EBITDA	**51,595**	**62,501**	***(17.4)***	**49,701**	***3.8***	**45,143**	**96,738**	**1,25,109**	***(22.7)***
Margins (%)	28.0	34.6	(6.5)	31.7	(3.7)	26.7	27.4	33.1	(5.7)
Depreciation	4,279	3,736	*14.5*	4,000	*7.0*	3,665	7,943	7,395	*7.4*
Interest	317.6	167.6	*89.5*	350	*(9.3)*	337.8	655.4	301.6	*117.3*
Other Income	8,075	8,995	*(10.2)*	9,250	*(12.7)*	6,453	14,529	15,615	*(7.0)*
PBT	**55,074**	**67,593**	***(18.5)***	**54,601**	***0.9***	**47,594**	**1,02,668**	**1,33,028**	***(22.8)***
Tax	13,446	16,717	*(19.6)*	13,650	*(1.5)*	11,806	25,252	33,044	*(23.6)*
Rate (%)	24.4	24.7	(0.3)	25.0	(0.6)	24.8	24.6	24.8	(0.2)
Adjusted PAT	**41,628**	**50,876**	***(18.2)***	**40,951**	***1.7***	**35,788**	**77,416**	**99,984**	***(22.6)***

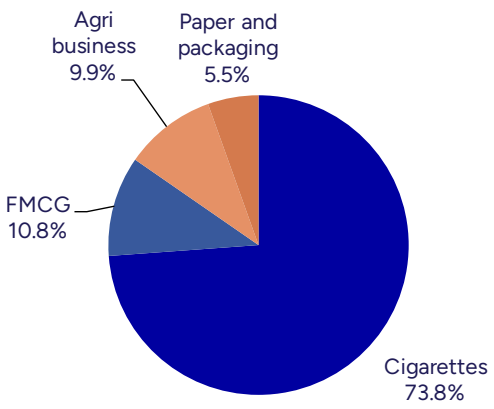
Source: Company, PL

Exhibit 3: Cigarette contributed ~51.8% towards overall sales in Q2



Source: Company, PL

Exhibit 4: Cigarette contributed ~74% towards overall EBIT in Q2



Source: Company, PL

Exhibit 5: We assign a SOTP based valuation of Rs. 294

SOTP	Basis	X	EV	PAT (Rsm)	% of PAT	EPS	Value/Share
Cigarettes	P/E	12		137571	67.3	11.0	132
FMCG - Others	P/E	45		20493	10.0	1.6	82
Agri business	P/E	14		13979	6.8	1.1	16
Paper and packaging	P/E	14		12463	6.1	1.0	14
ITC Infotech	P/E	18		6479		0.5	9
Business Value						14.6	252
ITC Hotels	Mkt Cap	40%					14
Cash and Invst			348235				28
Total Value/share							**294**

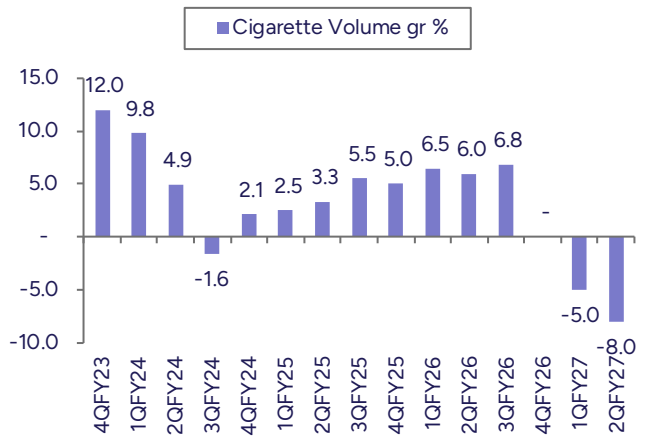
Source: Company, PL

Exhibit 6: FMCG and Paperboards margins are up by 76bps and 74bps YoY respectively

	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27
Cigarette Volume gr %	6.5	6.0	6.8	NA	(5)	(8.0)
Sales (INR m)	2,60,978	2,08,834	2,05,731	2,26,721	3,22,548	2,99,708
Cigarettes	85,200	87,228	87,908	1,10,660	1,53,836	1,55,361
FMCG	57,770	59,644	60,197	63,037	64,820	69,672
Agri business	96,850	39,762	35,603	30,749	80,821	44,517
Paper and packaging	21,158	22,199	22,024	22,275	23,072	30,159
Sales growth (YoY)	16.7	-3.5	3.0	14.9	30.1	43.1
Cigarettes	7.6	6.7	8.0	31.7	113.3	78.1
FMCG	5.2	6.9	11.1	14.7	12.2	15.7
Agri business	38.9	(31.2)	6.3	(15.7)	(16.6)	12.0
Paper and packaging	7.0	5.0	2.7	1.8	9.1	35.9
EBIT (INR m)	61,393	63,311	62,494	64,335	43,979	51,644
Cigarettes	51,453	52,407	51,770	54,882	33,412	38,135
FMCG	3,975	4,404	4,504	5,207	4,786	5,583
Agri business	4,339	4,591	4,240	1,795	3,538	5,107
Paper and packaging	1,626	1,910	1,979	2,452	2,242	2,819
EBIT growth (YoY)	1.4	2.7	1.4	8.7	(28.4)	(18.4)
Cigarettes	3.7	4.3	5.1	7.2	(35.1)	(27.2)
FMCG	(16.5)	(0.3)	42.0	51.0	20.4	27.8
Agri business	21.9	1.0	2.8	(29.6)	(18.5)	11.2
Paper and packaging	(37.8)	(21.2)	(3.7)	21.2	37.9	47.6
EBIT Margin (%)						
Cigarettes	60.4	60.1	58.9	49.6	21.7	24.5
FMCG	6.9	7.4	7.5	8.3	7.4	8.0
Agri business	4.5	11.5	11.9	5.8	4.4	11.5
Paper and packaging	7.7	8.6	9.0	11.0	9.7	9.3

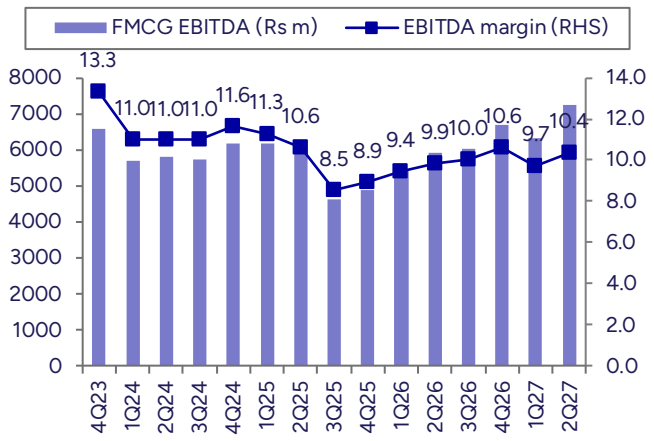
Source: Company, PL

Exhibit 7: Volume down 8% in 2Q



Source: Company, PL

Exhibit 8: FMCG EBIDTA expands 52bps YoY



Source: Company, PL

Cigarette sales decline by 23.7% YoY to Rs56.2bn, EBIT declined 27.2% YoY to Rs38.1bn

Cigarette volumes fell ~8% YoY in Q2, in line with our estimate of a ~8.5% decline as ITC undertook calibrated price hikes to pass on excise duty increase.

- We note that ITC has launched/ reintroduced 20 product variants in cigarette segments, to prevent consumers from downtrading to illicit market brands
- ITC volumes have declined ~8% as against a steeper 19-20% volume decline by peers in 2Q, which suggest success of pricing and brand strategy
- We estimate that ITC has undertaken ~75-80% excise pass on so far which will ensure steady recovery in coming quarters. ITC reported Rs4.7bn QoQ higher profits and we expect same trend to sustain in coming quarters as well, although it will take 3-4 quarters for volumes to turn positive.

FMCG Revenues grew by 15.7% YoY to Rs69.7bn; EBIT grew by 27.8% YoY to 5.6bn

Sales grew 15.7% (LTL growth 17.3%, ex of Atta grew by 23%), EBIT increased 27.8%, as margins expanded by 76bps YoY to 8.0%. Overall demand remained healthy across rural & urban markets. Biscuits, Snacks, Noodles, Spices, Salt, Frozen Snacks, Homecare & Notebooks posted 20%+ growth, while Dairy & Personal Care grew at a high-teen pace. West Asia led inflation in freight, fuel, edible oil, soap, noodles & packaging impacted margins, however, EBITDA margin increased by 72bps YoY and 63bps QoQ led by calibrated price hikes, cost management initiatives and favourable mix. Digital-first/Organic brands (Yogabar, 24 Mantra, Prasuma, Meatigo & Mother Sparsh) maintained strong momentum with ~70% YoY growth and ARR of ~Rs18bn, while NewGen channels (e-Com, QC & MT) continued to deliver robust growth, GT experienced a strong rebound. We expect the near-term demand outlook to remain positive, with El Niño a key monitorable. We expect range bound margin in 2H due to higher input costs in key raw materials and full impact of West Asia conflict.

Paperboard & Paper Revenues grew by 35.9% YoY to Rs30.1bn; EBIT grew by 47.6% YoY to 2.8bn. Margins expanded by 74bps YoY to 9.3%. Century Ply acquisition was completed on 1st August 2026. ITC took calibrated price action to mitigate inflation in input costs. The business delivered a healthy quarter, led by improving demand scenario and robust traction in Value added paperboards & exports, while wood prices remain elevated due to lower than expected harvest and high demand from competition. The MIP on virgin multilayered paper has been extended till March 31, 2027. The business will benefit from integration of century paper unit, although margin recovery might be tad delayed.

Agri Revenues declined by 12% YoY to Rs44.5bn; EBIT grew by 11.0% YoY to 5.1bn. Margins contracted by 7bps YoY to 11.5%. Domestic demand remained soft during the quarter, while international demand was similarly subdued, as customers delayed call-offs amid ongoing disruptions in West Asia. The Nicotine and Nicotine Derivative Products export business continued to scale up, with the segment turning PBIT-positive for the third consecutive quarter. Strong growth in Valued added agri products driven by Spices and Fruits and vegetables. We expect near-term demand pressures to persist, given that the geopolitical situation in West Asia remains unresolved.

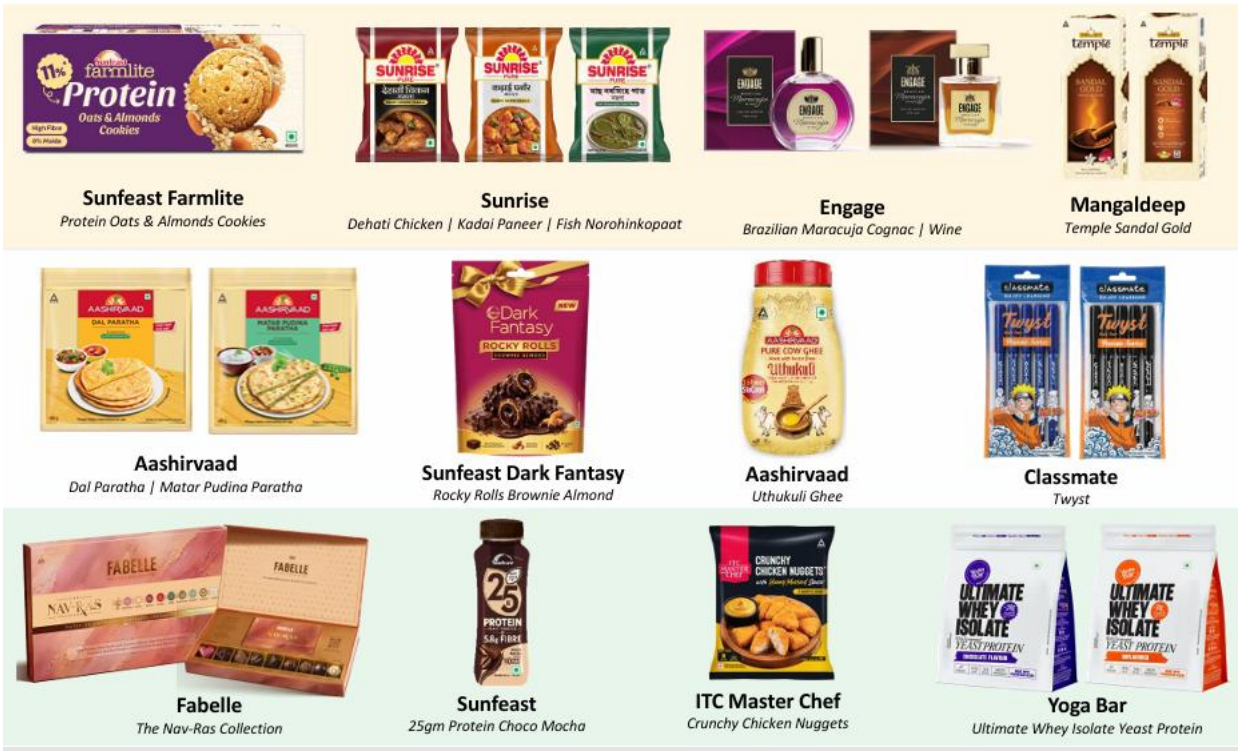
Food tech business: The footprint has been increased to more than 80 cloud kitchens with GMV growth of 53% YoY with and ARR of 3.2bn. ITC launched 'Prasuma Chilli Chow' as street style Chinese offerings. Management highlighted that the brands continue to receive high consumer ratings and favorable feedback, reflecting improving brand acceptance and premium positioning.

Exhibit 9: **Cigarette business to recover gradually, other businesses on recovery path**

	FY24	FY25	FY26	FY27E	FY28E	FY29E
Net Sales (Rs m)						
Cigarettes	2,59,321	2,77,187	2,94,367	2,48,023	2,70,772	2,89,742
FMCG	2,09,583	2,19,753	2,38,883	2,65,116	3,02,799	3,33,505
Agri	1,57,918	1,97,538	2,02,963	1,94,789	2,32,361	2,56,788
Paper and Paperboard	83,444	84,228	88,198	96,208	1,38,113	1,47,581
Sales Growth (%)						
Cigarettes	7.4	6.9	6.2	(15.7)	9.2	7.0
FMCG	9.8	4.9	8.7	11.0	10.6	10.1
Agri	(13.1)	25.1	2.7	(4.0)	13.1	10.5
Paper and Paperboard	(8.1)	0.9	4.7	9.1	16.0	6.9
EBIT (Rs m)						
Cigarettes	1,90,892	2,00,249	2,05,799	1,61,742	1,82,940	1,97,459
FMCG	17,786	15,797	17,677	21,740	27,252	31,683
Agri	12,544	14,780	15,425	14,414	18,589	20,543
Paper and Paperboard	13,776	9,115	7,938	12,507	16,574	20,661
EBIT Margin (%)						
Cigarettes	62.4	61.4	59.5	55.5	57.5	58.0
FMCG	8.5	7.2	7.4	8.2	9.0	9.5
Agri	7.9	7.5	7.6	7.4	8.0	8.0
Paper and Paperboard	16.5	10.8	9.0	13.0	12.0	14.0
EBIT Growth (%)						
Cigarettes	6.5	4.9	2.8	-21.4	13.1	7.9
FMCG	29.4	-11.2	11.9	23.0	21.4	16.3
Agri	-5.5	17.8	4.4	-6.6	14.6	10.5
Paper and Paperboard	-39.9	-33.8	-12.9	57.6	42.1	24.7

Source: Company, PL

Exhibit 10: ITC's Recent launches



Source: Company, PL

Exhibit 11: ITC launches new introduction and revamped in cigarette business

Innovation

- Classic & Gold Flake World Series
- Gold Flake Indie Paan Sleek
- Players Magic Mix

Portfolio Fortification

- Gold Flake
- Classic
- Bristol
- Players & Wave
- Scissors
- Flake Special

Recent Introductions / New Variants

Classic	Gold Flake	American Club	Players	International Brands*	Other Brands
Balance Taste Sleek	Longs - Portfolio	Magic Mix Sleek	Magic Mix RSFT	Rothmans GT & XT	Wave Deluxe Filter - Portfolio
Connect Express	Deluxe - Portfolio	NY Cool Premium Sleeks	Deluxe Filter - Portfolio	B&H Bold & Go RSFT	Scissors Deluxe Filter
Connect Lounge	Indie Deluxe	Doubles	Turbo		Flake Premium Deluxe
Longs - Portfolio		Longs			
		Clove Mint Fresh			

Source: Company, PL

Financials

Income Statement (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Net Revenues	**719,838**	**745,504**	**829,058**	**898,851**
YoY gr. (%)	*3.8*	*3.6*	*11.2*	*8.4*
Cost of Goods Sold	322,486	373,510	399,947	438,619
Gross Profit	397,352	371,994	429,111	460,232
Margin (%)	*55.2*	*49.9*	*51.8*	*51.2*
Employee Cost	36,293	41,987	45,199	47,429
Other Expenses	108,977	55,586	61,411	68,655
EBITDA	**252,082**	**215,867**	**258,095**	**273,946**
YoY gr. (%)	*4.9*	*(14.4)*	*19.6*	*6.1*
Margin (%)	*35.0*	*29.0*	*31.1*	*30.5*
Depreciation and Amortization	14,740	17,485	18,228	18,971
EBIT	**237,342**	**198,383**	**239,867**	**254,975**
Margin (%)	*33.0*	*26.6*	*28.9*	*28.4*
Net Interest	699	582	645	722
Other Income	32,872	33,270	32,740	33,572
Profit Before Tax	**269,515**	**231,072**	**271,962**	**287,826**
Margin (%)	*37.4*	*31.0*	*32.8*	*32.0*
Total Tax	64,812	57,306	67,446	71,381
Effective Tax Rate (%)	*24.0*	*24.8*	*24.8*	*24.8*
Profit After Tax	**204,703**	**173,766**	**204,515**	**216,445**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**204,703**	**173,766**	**204,515**	**216,445**
YoY gr. (%)	*8.5*	*(15.1)*	*17.7*	*5.8*
Margin (%)	*28.4*	*23.3*	*24.7*	*24.1*
Extra Ord. Income / (Exp)	(1,839)	-	-	-
Reported PAT	**202,864**	**173,766**	**204,515**	**216,445**
YoY gr. (%)	*(42.4)*	*(14.3)*	*17.7*	*5.8*
Margin (%)	*28.2*	*23.3*	*24.7*	*24.1*
Other Comprehensive Income	(8,100)	-	-	-
Total Comprehensive Income	194,765	173,766	204,515	216,445
Equity Shares O/s (mn)	**12,530**	**12,548**	**12,558**	**12,567**
EPS (INR)	**16.3**	**13.8**	**16.3**	**17.2**

Source: Company, PL

Balance Sheet (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Non-Current Assets				
Gross Block	**308,741**	**353,241**	**368,741**	**384,241**
Tangibles	285,021	329,021	344,021	359,021
Intangibles	23,721	24,221	24,721	25,221
Acc: Dep / Amortization	**120,582**	**136,767**	**153,683**	**171,329**
Tangibles	117,127	132,829	149,250	166,391
Intangibles	3,455	3,939	4,433	4,938
Net Fixed Assets	**199,452**	**216,474**	**215,058**	**212,913**
Tangibles	173,050	196,192	194,771	192,630
Intangibles	26,402	20,282	20,287	20,283
Capital Work In Progress	14,726	11,000	11,000	11,000
Goodwill	6,083	5,772	5,772	5,772
Non-Current Investments	197,370	236,231	252,623	270,373
Net Deferred Tax Assets	(30,653)	(23,071)	(21,918)	(20,822)
Other Non-Current Assets	10,096	18,704	19,930	20,963
Current Assets				
Investments	197,015	134,191	107,778	89,885
Inventories	179,319	161,572	179,794	195,283
Trade Receivables	29,256	40,393	44,948	48,821
Cash & Bank Balance	21,355	28,934	56,332	84,122
Other Current Assets	14,884	11,183	12,436	13,483
Total Assets	**889,159**	**881,231**	**924,956**	**974,781**
Equity				
Equity Share Capital	12,530	12,548	12,558	12,567
Other Equity	686,757	694,885	726,084	762,549
Total Networth	**699,286**	**707,434**	**738,642**	**775,116**
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Provisions	2,801	2,564	2,792	2,966
Other Non Current Liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	20,262	-	-	-
Trade Payables	52,719	55,100	59,235	64,643
Other Current Liabilities	78,938	90,832	100,032	108,782
Total Equity & Liabilities	**889,159**	**881,231**	**924,956**	**974,781**

Source: Company, PL

Cash Flow (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
PBT	262,043	231,072	271,962	287,826
Add. Depreciation	15,350	17,485	18,228	18,971
Add. Interest	528	582	645	722
Less Financial Other Income	32,872	33,270	32,740	33,572
Add. Other	10,712	(1,012)	(1,991)	(1,784)
Op. Profit before WC Changes	288,634	248,126	288,844	305,735
Net Changes-WC	(14,793)	47,899	11,684	7,233
Direct Tax	(64,987)	(57,306)	(67,446)	(71,381)
Net Cash from Op. Activities	**208,854**	**238,719**	**233,081**	**241,587**
Capital Expenditures	(15,108)	(45,799)	(16,812)	(16,825)
Interest / Dividend Income	-	-	-	-
Others	(14,006)	(15,147)	(16,390)	(17,747)
Net Cash from Invt. Activities	**(29,115)**	**(60,946)**	**(33,202)**	**(34,573)**
Issue of Share Cap. / Premium	4,568	9,972	(10,180)	(4,155)
Debt Changes	-	-	-	-
Dividend Paid	(175,202)	(181,728)	(163,126)	(175,816)
Interest Paid	(528)	(582)	(645)	(722)
Others	(74)	(53)	(56)	(57)
Net Cash from Fin. Activities	**(171,236)**	**(172,391)**	**(174,008)**	**(180,750)**
Net Change in Cash	**8,503**	**5,383**	**25,871**	**26,264**
Free Cash Flow	193,746	192,920	216,269	224,761

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Mar	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Net Revenues	**180,171**	**160,505**	**169,076**	**184,010**
YoY gr. (%)	*5.7*	*(6.9)*	*(14.4)*	*2.1*
Raw Material Expenses	81,260	57,747	86,219	91,937
Gross Profit	98,911	102,758	82,857	92,073
Margin (%)	*54.9*	*64.0*	*49.0*	*50.0*
EBITDA	**59,697**	**64,260**	**45,143**	**51,595**
YoY gr. (%)	*2.4*	*7.3*	*(27.9)*	*(17.5)*
Margin (%)	*33.1*	*40.0*	*26.7*	*28.0*
Depreciation / Depletion	3,692	3,624	3,665	4,279
EBIT	**56,004**	**60,635**	**41,479**	**47,317**
Margin (%)	*31.1*	*37.8*	*24.5*	*25.7*
Net Interest	150	244	338	318
Other Income	10,719	6,528	6,453	8,075
Profit before Tax	**69,589**	**66,919**	**47,594**	**55,074**
Margin (%)	*38.6*	*41.7*	*28.1*	*29.9*
Total Tax	15,962	15,806	11,806	13,446
Effective Tax Rate (%)	*22.9*	*23.6*	*24.8*	*24.4*
Profit After Tax	**53,627**	**51,113**	**35,788**	**41,628**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**53,627**	**51,113**	**35,788**	**41,628**
YoY gr. (%)	*4.7*	*4.9*	*(27.1)*	*(18.2)*
Margin (%)	*29.8*	*31.8*	*21.2*	*22.6*
Extra Ord. Income / (Exp)	(2,738)	21	-	(257)
Reported PAT	**50,888**	**51,134**	**35,788**	**41,371**
YoY gr. (%)	*(9.7)*	*(73.9)*	*(27.1)*	*(20.1)*
Margin (%)	*28.2*	*31.9*	*21.2*	*22.5*
Other Comprehensive Income	734	(8,839)	4,431	(1,783)
Total Comprehensive Income	**51,623**	**42,294**	**40,219**	**39,589**
Avg. Shares O/s (mn)	12,309	12,530	12,309	12,531
EPS (INR)	**4.4**	**4.1**	**2.9**	**3.3**

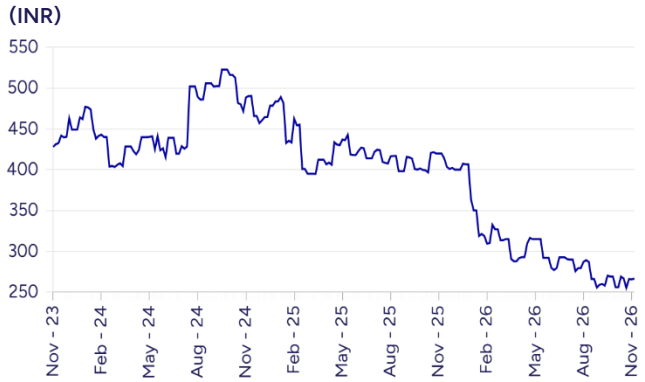
Source: Company, PL

Key Financial Metrics

Y/e Mar	FY26	FY27E	FY28E	FY29E
Per Share (INR)				
EPS	16.3	13.8	16.3	17.2
CEPS	17.5	15.2	17.7	18.7
BVPS	55.8	56.4	58.8	61.7
FCF	15.5	15.4	17.2	17.9
DPS	14.5	13.0	14.0	15.5
Return Ratio (%)				
RoCE	33.9	27.8	33.2	33.7
ROIC	35.4	27.6	31.5	31.8
RoE	29.7	24.7	28.3	28.6
Balance Sheet				
Net Debt : Equity (x)	-	-	-	-
Net Working Capital (Days)	79	72	73	73
Valuation (x)				
PER	16.3	19.2	16.4	15.5
P/B	4.8	4.7	4.5	4.3
P/CEPS	15.2	17.5	15.0	14.2
EV/EBITDA	12.5	14.7	12.3	11.6
EV/Sales	4.4	4.3	3.8	3.5
Dividend Yield (%)	5.4	4.9	5.3	5.8
FCFF Yield (%)	5.8	5.8	6.5	6.7
PEG Ratio	2.0	(1.3)	0.9	2.7

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	08-Oct-26	HOLD	291	266
2	31-Jul-26	HOLD	291	281
3	08-Jul-26	Reduce	302	289
4	21-May-26	REDUCE	302	308
5	09-Apr-26	Reduce	308	303
6	29-Jan-26	Reduce	314	319
7	08-Jan-26	Reduce	348	341
8	01-Jan-26	Reduce	348	364
9	30-Oct-25	BUY	530	419
10	08-Oct-25	BUY	530	400

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Asian Paints	HOLD	2544	2302
2	Avenue Supermarts	REDUCE	3214	3517
3	Britannia Industries	BUY	6579	4780
4	Colgate Palmolive	HOLD	1837	1685
5	Dabur India	HOLD	476	384
6	Emami	HOLD	448	375
7	Hindustan Unilever	BUY	2268	1816
8	ITC	HOLD	291	266
9	Jubilant FoodWorks	BUY	553	461
10	Kansai Nerolac Paints	Accumulate	259	192
11	Marico	Accumulate	940	787
12	Metro Brands	HOLD	924	903
13	Mold-tek Packaging	Accumulate	743	667
14	Nestle India	Accumulate	1526	1276
15	Pidilite Industries	Accumulate	1600	1422
16	Restaurant Brands Asia	Accumulate	112	92
17	Titan Company	BUY	5388	4377
18	Westlife Foodworld	Accumulate	612	568

PL's Recommendation Nomenclature (Absolute Performance)

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

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