

CONSUMER STAPLES

Q1FY24 Preview

13 July 2023

Volume-led growth; margin expansion to continue

- Demand environment held steady in Q1; divergence between pricing and volumes has narrowed
- Rural recovery continues, albeit at a slow pace; margin expansion should support double-digit earnings growth
- We expect volume-led growth and margin accretion in FY24; prefer BRIT, NEST, ITC, DABUR and TCPL

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Growth visibility improves with volume recovery: The demand environment held steady during Q1FY24 and most consumer companies saw volume recovery. Early commentary from key players, including DABUR, GCPL and AWL, indicates a healthy performance with volumes ticking up in urban as well as rural markets. We expect consumer staples players to deliver near-double-digit topline growth as the divergence between price and volumes has narrowed during the quarter. Volume growth is likely to be in the mid-single digits.

Rural markets continue to pick up with lower inflation: Rural markets witnessed budding signs of recovery during Q4FY23 and the momentum continued during Q1FY24, though the pace of growth remains slow. The softness in rural markets appears to be bottoming out, but progress of the monsoon and its impact on agricultural output remains a key monitorable. Our rural channel checks suggest sustained growth traction in staples and food products along with volume revival in the soap, detergent, and dental portfolios. Urban centres remain steady and continue to grow ahead of rural markets.

Lower input cost to aid margin expansion: Gross margins for most consumer companies are likely to improve meaningfully YoY due to price correction in key commodities during the quarter. The benefits of gross margins will not fully reflect at the operating level as most companies have stepped up their advertisement and promotion spend to bolster volumes.

Sector outlook remains positive: We expect consumer companies to register strong growth in the April-June quarter backed by higher volumes amid a steady demand environment. Innovation and premiumisation will continue to fuel growth in the near-to-medium term. Margins are forecast to improve YoY, likely resulting in double-digit earnings growth for staples players. We prefer BRIT (TP Rs 5,844, BUY), NEST (TP Rs 26,430, BUY), ITC (TP Rs 523, BUY), DABUR (TP Rs 669, BUY) and TCPL (TP Rs 994, BUY).

Recommendation snapshot

Ticker	Price	Target	Rating
BRIT IN	5,074	5,844	BUY
DABUR IN	583	669	BUY
GCPL IN	1,068	1,159	BUY
HUVR IN	2,674	3,069	BUY
ITC IN	472	523	BUY
MRCO IN	538	629	BUY
NEST IN	23,060	26,430	BUY
TATACONS IN	843	994	BUY
ZYWL IN	1,471	1,631	HOLD

Price & Target in Rupees | Price as of 12 Jul 2023
 TATACONS = TCPL



Fig 1 – BOBCAPS Consumer Staples Universe: Q1FY24 preview

Company	Q1FY24E	Q4FY23	Q1FY23	QoQ (%)	YoY (%)	Remarks
BRIT						
Revenue (Rs mn)	41,451	40,232	37,010	3.0	12.0	We expect BRIT to report healthy topline growth of 12% YoY during Q1FY24. The biscuits category remained resilient and we believe BRIT will register mid-single-digit volume growth and also gain market share during the quarter. The company is likely to deliver strong growth in rural markets. The impact of higher wheat and milk prices remains a key monitorable.
Gross Profit (Rs mn)	17,907	18,073	13,648	(0.9)	31.2	
Gross Margin (%)	43.2	44.9	36.9	(170bps)	630bps	
EBITDA (Rs mn)	7,834	8,009	5,007	(2.2)	56.5	
EBITDA Margin (%)	18.9	19.9	13.5	(100bps)	540bps	
Adj. PAT (Rs mn)	5,578	5,587	3,374	(0.2)	65.3	
Adj. PAT Margin (%)	13.5	13.9	9.1	(40bps)	440bps	
DABUR						
Revenue (Rs mn)	31,271	26,662	28,224	17.3	10.8	We expect DABUR to report revenue growth of 11% YoY during the quarter. The company has seen a volume pickup in both urban and rural markets, with broad-based growth across the portfolio, except for the food & beverage business that was impacted by unseasonal rains.
Gross Profit (Rs mn)	14,760	12,268	12,943	20.3	14.0	
Gross Profit Margin (%)	47.2	46.0	45.9	120bps	130bps	
EBITDA (Rs mn)	6,067	4,098	5,437	48.0	11.6	
EBITDA Margin (%)	19.4	15.4	19.2	400bps	20bps	
Adj. PAT (Rs mn)	4,699	3,008	4,403	56.2	6.7	
Adj. PAT Margin (%)	15.0	11.2	15.6	380bps	(60bps)	
GCPL						
Revenue (Rs mn)	34,980	32,002	31,250	9.3	11.9	GCPL is forecast to record strong revenue growth of 12% YoY, benefiting from an improved performance in the domestic market. Gross margin is projected to improve 560bps YoY owing to lower palm oil and other key commodity prices. We anticipate an improved performance in Indonesia and moderate growth in the GAUM market.
Gross Profit (Rs mn)	18,260	16,928	16,692	7.9	9.4	
Gross Margin (%)	52.2	52.9	46.6	(70bps)	560bps	
EBITDA (Rs mn)	6,891	6,409	5,208	7.5	32.3	
EBITDA Margin (%)	19.7	20.0	16.7	(30bps)	300bps	
Adj. PAT (Rs mn)	4,507	4,743	3,470	(5.0)	29.9	
Adj. PAT Margin (%)	12.9	14.8	11.1	(190bps)	180bps	
HUVR						
Revenue (Rs mn)	1,59,170	1,52,150	1,46,240	4.6	8.8	We expect HUVR to report 9% YoY value growth (~5% volume growth) in Q1FY24 owing to a modest performance in the home & beauty and personal care businesses due to price cuts taken during the quarter. HUVR will continue to focus on premiumisation in its core portfolio and is likely to add market share.
Gross Profit (Rs mn)	77,357	74,680	69,600	3.6	11.1	
Gross Margin (%)	48.6	49.1	47.6	(50bps)	100bps	
EBITDA (Rs mn)	37,246	35,740	34,020	4.2	9.5	
EBITDA Margin (%)	23.4	23.5	23.3	(10bps)	10bps	
Adj. PAT (Rs mn)	26,216	25,190	23,930	4.1	9.6	
Adj. PAT Margin (%)	16.5	16.6	16.4	(10bps)	10bps	
ITC						
Revenue (Rs mn)	1,87,608	1,76,349	1,84,895	6.4	1.5	ITC is projected to report high-single-digit volume growth in cigarettes. FMCG business is likely to record healthy double-digit growth with margin expansion. We believe the hotels business will continue to perform well due to increased occupancy and higher revenue per available room (RevPAR). Paper and paperboard should continue to do well, whereas agri business revenue would remain impacted.
Gross Profit (Rs mn)	1,14,423	1,08,643	99,379	5.3	15.1	
Gross Margin (%)	61.0	61.6	53.7	(60bps)	730bps	
EBITDA (Rs mn)	69,960	66,240	60,771	5.6	15.1	
EBITDA Margin (%)	37.3	35.2	30.9	210bps	640bps	
Adj. PAT (Rs mn)	51,585	51,026	43,898	1.1	17.5	
Adj. PAT Margin (%)	27.5	28.9	23.7	(140bps)	380bps	
MRCO						
Revenue (Rs mn)	24,966	22,400	25,580	11.5	(2.4)	We expect MRCO to report a 2% YoY dip in revenue owing to significant trade destocking in Saffola edible oil in reaction to lower vegetable oil prices. Volume growth likely remained muted during the quarter as rural demand was elusive. Favourable copra and edible oil prices should help the company expand gross margin.
Gross Profit (Rs mn)	12,533	10,620	11,520	18.0	8.8	
Gross Margin (%)	50.2	47.4	45.0	280bps	520bps	
EBITDA (Rs mn)	5,817	3,930	5,280	48.0	10.2	
EBITDA Margin (%)	23.3	17.5	20.6	580bps	270bps	
Adj. PAT (Rs mn)	4,090	3,020	3,710	35.4	10.2	
Adj. PAT Margin (%)	16.4	13.5	14.5	290bps	190bps	

Company	Q1FY24E	Q4FY23	Q1FY23	QoQ (%)	YoY (%)	Remarks
TATACONS						
Revenue (Rs mn)	37,497	36,187	33,258	3.6	12.7	We estimate a 13% YoY rise in revenue for TCPL led by growth and market share gains in the salt business and volume recovery in the tea portfolio. Growth businesses, including Soulful, Sampann and NourishCo, are expected to perform well. The Tata Starbucks JV is likely to maintain growth momentum along with margin improvement.
Gross Profit (Rs mn)	15,824	15,133	14,178	4.6	11.6	
Gross Margin (%)	42.2	41.6	42.6	60bps	(40bps)	
EBITDA (Rs mn)	5,156	5,117	4,573	0.8	12.7	
EBITDA Margin (%)	13.8	13.5	13.8	30bps	0bps	
Adj. PAT (Rs mn)	3,250	2,750	2,794	18.2	16.3	
Adj. PAT Margin (%)	8.7	7.6	8.4	110bps	30bps	
ZYWL						
Revenue (Rs mn)	7,805	7,130	6,969	9.5	12.0	ZYWL is forecast to report revenue growth of 12% YoY (both pricing- and volume-led) during the quarter. EBITDA is forecast to grow 14% YoY while PAT is expected to rise 15%. Gross margin is projected to expand sequentially owing to lower prices of key commodities.
Gross Profit (Rs mn)	4,207	3,623	3,783	16.1	11.2	
Gross Margin (%)	53.9	50.8	54.3	310bps	(40bps)	
EBITDA (Rs mn)	1,694	1,446	1,482	17.2	14.3	
EBITDA Margin (%)	21.7	20.3	21.3	140bps	40bps	
Adj. PAT (Rs mn)	1,611	1,453	1,400	10.9	15.1	
Adj. PAT Margin (%)	20.6	20.4	20.1	20bps	50bps	
NEST						
	Q2CY23E	Q1CY23	Q2CY22	QoQ (%)	YoY (%)	
Revenue (Rs mn)	47,638	48,305	40,366	(1.4)	18.0	We expect NEST to report revenue growth of 18% YoY in Q2 underpinned by a better performance in rural markets where the company continues to expand its presence, along with resilience in the noodles category. However, higher milk prices could affect margins of the dairy and confectionary portfolio.
Gross Profit (Rs mn)	26,487	25,990	21,782	1.9	21.6	
Gross Profit Margin (%)	55.6	53.8	54.0	180bps	160bps	
EBITDA (Rs mn)	11,195	10,955	8,355	2.2	34.0	
EBITDA Margin (%)	23.5	22.7	20.7	80bps	280bps	
Adj. PAT (Rs mn)	7,116	7,366	5,314	(3.4)	33.9	
Adj. PAT Margin (%)	14.9	15.2	13.2	(27bps)	173bps	

Source: Company, BOBCAPS Research

Stock performance

Fig 2 – BRIT

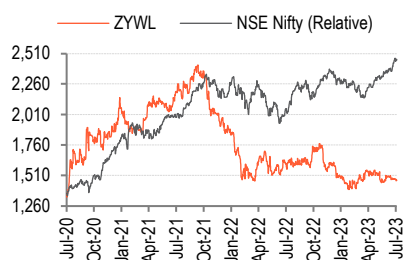


Fig 3 – DABUR

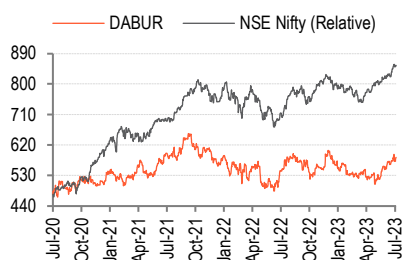


Fig 4 – GCPL

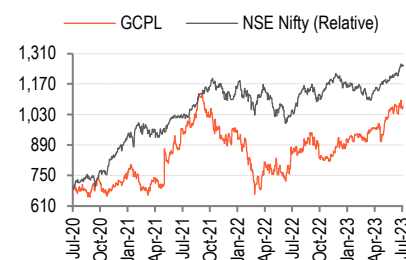


Fig 5 – HUVR

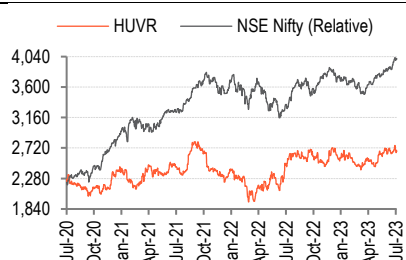


Fig 6 – ITC

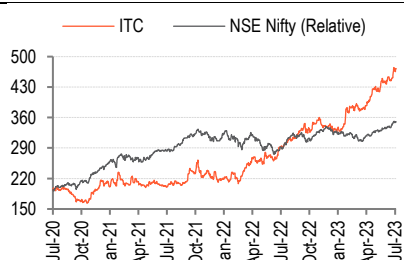


Fig 7 – MRCO

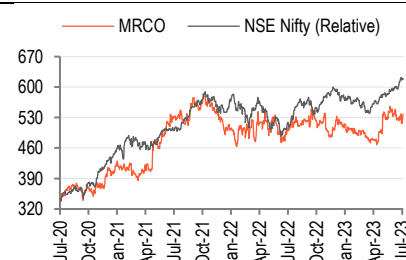


Fig 8 – NEST

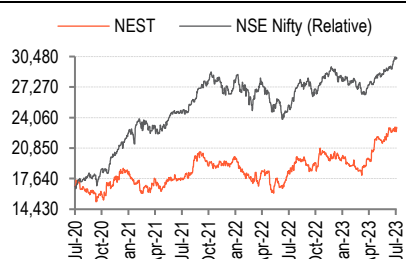


Fig 9 – TATACONS

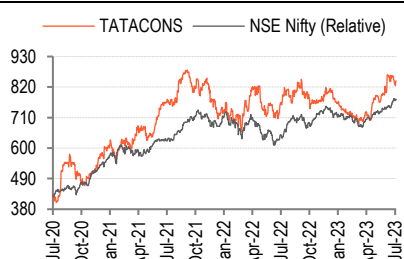
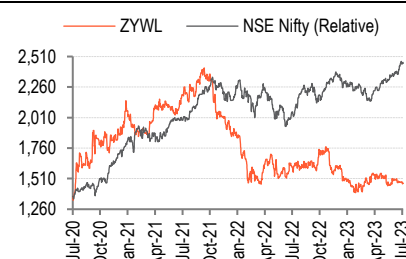


Fig 10 – ZYWL



Source: NSE

Financials – BRIT

Income Statement

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Total revenue	1,31,361	1,41,363	1,63,006	1,82,922	2,01,583
EBITDA	25,093	22,015	28,309	33,166	37,446
Depreciation	1,979	2,005	2,259	2,591	2,923
EBIT	23,114	20,010	26,050	30,574	34,523
Net interest inc./(exp.)	1,109	1,443	1,691	1,866	1,846
Other inc./(exp.)	3,129	2,228	2,159	3,669	3,687
Exceptional items	6	10	(3,756)	0	0
EBT	25,128	20,785	30,274	32,378	36,364
Income taxes	6,630	5,624	7,165	8,742	9,818
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	(133)	(88)	(55)	(13)	(15)
Reported net profit	18,639	15,248	23,217	23,649	26,561
Adjustments	6	10	(3,756)	0	0
Adjusted net profit	18,645	15,258	19,461	23,649	26,561

Balance Sheet

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Accounts payables	13,148	13,228	14,488	17,431	18,945
Other current liabilities	1,405	1,307	1,763	1,692	1,864
Provisions	3,875	4,851	5,390	6,269	6,882
Debt funds	20,872	24,655	29,805	28,116	27,816
Other liabilities	4,949	5,377	6,435	6,845	7,464
Equity capital	241	241	241	241	241
Reserves & surplus	35,599	25,615	35,404	46,059	54,042
Shareholders' fund	35,840	25,856	35,645	46,300	54,283
Total liab. and equities	80,088	75,275	93,527	1,06,652	1,17,254
Cash and cash eq.	1,427	1,181	1,024	4,336	9,743
Accounts receivables	2,573	3,319	3,289	7,517	8,284
Inventories	10,915	13,675	11,933	13,192	14,338
Other current assets	15,349	13,312	13,207	13,883	14,631
Investments	27,949	17,763	33,649	33,849	34,049
Net fixed assets	16,343	15,841	24,722	27,131	29,207
CWIP	1,165	5,357	1,050	1,050	1,050
Intangible assets	1,444	1,552	1,424	1,424	1,424
Deferred tax assets, net	97	517	573	669	737
Other assets	2,825	2,759	2,658	3,600	3,791
Total assets	80,088	75,275	93,527	1,06,652	1,17,254

Cash Flows

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Cash flow from operations	25,083	18,864	32,520	31,202	37,719
Capital expenditures	(2,405)	(5,502)	(7,115)	(5,000)	(5,000)
Change in investments	4,675	12,495	(10,300)	(200)	(200)
Other investing cash flows	2,086	2,116	2,244	2,623	3,430
Cash flow from investing	4,356	9,109	(15,171)	(2,577)	(1,770)
Equities issued/Others	1,032	0	0	0	0
Debt raised/repaid	5,690	(3,387)	2,292	(1,689)	(300)
Interest expenses	(1,013)	(1,186)	(1,957)	(1,866)	(1,846)
Dividends paid	(28,238)	(24,848)	(13,592)	(13,007)	(18,592)
Other financing cash flows	104	6,963	2,974	13	15
Cash flow from financing	(22,425)	(22,458)	(10,284)	(16,549)	(20,724)
Chg in cash & cash eq.	686	(353)	(192)	3,334	5,407
Closing cash & cash eq.	1,427	1,181	980	4,336	9,743

Per Share

Y/E 31 Mar (Rs)	FY21A	FY22A	FY23P	FY24E	FY25E
Reported EPS	77.4	63.3	96.4	98.2	110.3
Adjusted EPS	77.4	63.3	80.8	98.2	110.3
Dividend per share	118.0	74.5	56.4	54.0	77.2
Book value per share	148.8	107.3	148.0	192.2	225.3

Valuations Ratios

Y/E 31 Mar (x)	FY21A	FY22A	FY23P	FY24E	FY25E
EV/Sales	9.3	8.6	7.5	6.7	6.1
EV/EBITDA	48.7	55.5	43.2	36.8	32.6
Adjusted P/E	65.6	80.1	62.8	51.7	46.0
P/BV	34.1	47.3	34.3	26.4	22.5

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23P	FY24E	FY25E
Tax burden (Net profit/PBT)	74.2	73.4	76.7	73.0	73.0
Interest burden (PBT/EBIT)	80.6	76.2	89.1	77.3	76.9
EBIT margin (EBIT/Revenue)	17.6	14.2	16.0	16.7	17.1
Asset turnover (Rev./Avg TA)	164.0	187.8	174.3	171.5	171.9
Leverage (Avg TA/Avg Equity)	2.2	2.9	2.6	2.3	2.2
Adjusted ROAE	52.0	59.0	65.1	51.1	48.9

Ratio Analysis

Y/E 31 Mar	FY21A	FY22A	FY23P	FY24E	FY25E
YoY growth (%)					
Revenue	13.2	7.6	15.3	12.2	10.2
EBITDA	36.1	(12.3)	28.6	17.2	12.9
Adjusted EPS	31.1	(18.2)	27.6	21.5	12.3

Profitability & Return ratios (%)

EBITDA margin	19.1	15.6	17.4	18.1	18.6
EBIT margin	17.6	14.2	16.0	16.7	17.1
Adjusted profit margin	14.2	10.8	11.9	12.9	13.2
Adjusted ROAE	52.0	59.0	65.1	51.1	48.9
ROCE	40.8	39.6	39.8	41.1	42.1

Working capital days (days)

Receivables	7	9	7	15	15
Inventory	52	57	45	45	45
Payables	63	55	55	60	60

Ratios (x)

Gross asset turnover	1.5	1.6	1.5	1.5	1.5
Current ratio	1.2	1.0	1.1	1.4	1.5
Net interest coverage ratio	20.8	13.9	15.4	16.4	18.7
Adjusted debt/equity	0.6	1.0	0.8	0.6	0.5

Source: Company, BOBCAPS Research | Note: TA = Total Assets

Financials – DABUR

Income Statement

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Total revenue	95,617	1,08,887	1,15,299	1,30,189	1,47,820
EBITDA	20,027	22,538	21,641	25,510	31,060
Depreciation	2,401	2,529	3,110	3,543	4,035
EBIT	17,626	20,009	18,532	21,966	27,025
Net interest inc./(exp.)	308	386	782	799	799
Other inc./(exp.)	3,253	3,932	4,454	4,899	5,144
Exceptional items	0	(850)	0	0	0
EBT	20,570	22,705	22,203	26,067	31,370
Income taxes	3,611	5,264	5,174	5,995	7,215
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	17	31	(58)	(61)	(64)
Reported net profit	16,933	17,392	17,072	20,106	24,193
Adjustments	0	(850)	0	0	0
Adjusted net profit	16,933	18,242	17,072	20,106	24,193

Balance Sheet

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Accounts payables	19,153	20,180	21,866	23,185	26,327
Other current liabilities	1,584	914	667	753	855
Provisions	2,512	2,497	2,784	2,867	2,965
Debt funds	3,491	6,173	7,002	6,999	6,299
Other liabilities	2,284	3,385	3,758	4,243	4,818
Equity capital	1,767	1,768	1,772	1,772	1,772
Reserves & surplus	75,235	82,451	92,643	1,01,856	1,12,947
Shareholders' fund	77,002	84,219	94,414	1,03,628	1,14,719
Total liab. and equities	1,08,471	1,22,845	1,36,544	1,47,728	1,62,036
Cash and cash eq.	13,290	5,701	3,259	3,674	3,545
Accounts receivables	5,616	6,462	8,488	9,584	10,530
Inventories	17,343	19,114	20,242	20,760	22,682
Other current assets	3,906	3,346	3,136	3,533	4,003
Investments	41,484	62,102	62,574	69,704	78,147
Net fixed assets	18,117	19,680	22,376	23,846	26,315
CWIP	1,473	1,675	1,751	1,751	1,751
Intangible assets	447	397	8,887	8,887	8,887
Deferred tax assets, net	180	7	21	24	27
Other assets	5,473	4,035	5,427	5,543	5,681
Total assets	1,08,471	1,22,845	1,36,544	1,47,728	1,62,036

Cash Flows

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Cash flow from operations	21,147	18,023	14,884	26,377	29,381
Capital expenditures	(3,112)	(3,741)	(5,091)	(5,728)	(6,504)
Change in investments	(13,611)	(12,731)	(137)	(7,130)	(8,442)
Other investing cash flows	2,616	3,668	3,942	0	0
Cash flow from investing	(14,058)	(12,755)	(5,865)	(12,858)	(14,946)
Equities issued/Others	0	1	4	0	0
Debt raised/repaid	369	5,408	488	(954)	(700)
Interest expenses	(194)	(219)	(779)	(799)	(799)
Dividends paid	(5,921)	(9,723)	(9,213)	(10,857)	(13,064)
Other financing cash flows	0	0	(491)	0	0
Cash flow from financing	(6,134)	(4,905)	(10,352)	(12,611)	(14,563)
Chg in cash & cash eq.	955	364	(1,334)	907	(129)
Closing cash & cash eq.	1,888	2,272	976	1,883	1,754

Per Share

Y/E 31 Mar (Rs)	FY21A	FY22A	FY23P	FY24E	FY25E
Reported EPS	9.6	9.8	9.6	11.3	13.7
Adjusted EPS	9.6	10.3	9.6	11.3	13.7
Dividend per share	37.5	5.5	5.2	6.1	7.4
Book value per share	43.6	47.6	53.4	58.6	64.9

Valuations Ratios

Y/E 31 Mar (x)	FY21A	FY22A	FY23P	FY24E	FY25E
EV/Sales	10.8	9.5	9.0	7.9	7.0
EV/EBITDA	51.6	45.9	47.8	40.5	33.3
Adjusted P/E	60.9	56.5	60.5	51.4	42.7
P/BV	13.4	12.2	10.9	10.0	9.0

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23P	FY24E	FY25E
Tax burden (Net profit/PBT)	82.3	76.6	76.9	77.1	77.1
Interest burden (PBT/EBIT)	116.7	113.5	119.8	118.7	116.1
EBIT margin (EBIT/Revenue)	18.4	18.4	16.1	16.9	18.3
Asset turnover (Rev./Avg TA)	88.1	88.6	84.4	88.1	91.2
Leverage (Avg TA/Avg Equity)	1.4	1.5	1.4	1.4	1.4
Adjusted ROAE	23.6	22.6	19.1	20.3	22.2

Ratio Analysis

Y/E 31 Mar	FY21A	FY22A	FY23P	FY24E	FY25E
YoY growth (%)					
Revenue	10.1	13.9	5.9	12.9	13.5
EBITDA	11.7	12.5	(4.0)	17.9	21.8
Adjusted EPS	17.2	2.7	(2.1)	17.8	20.3

Profitability & Return ratios (%)

EBITDA margin	20.9	20.7	18.8	19.6	21.0
EBIT margin	18.4	18.4	16.1	16.9	18.3
Adjusted profit margin	17.7	16.8	14.8	15.4	16.4
Adjusted ROAE	23.6	22.6	19.1	20.3	22.2
ROCE	18.8	17.2	14.0	15.1	17.0

Working capital days (days)

Receivables	26	20	24	25	25
Inventory	119	118	115	113	107
Payables	129	127	122	124	122

Ratios (x)

Gross asset turnover	0.8	0.8	0.7	0.8	0.8
Current ratio	1.6	1.3	1.2	1.2	1.2
Net interest coverage ratio	57.2	51.8	23.7	27.5	33.8
Adjusted debt/equity	4.6	10.3	10.6	9.6	8.1

Source: Company, BOBCAPS Research | Note: TA = Total Assets

Financials – GCPL

Income Statement

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Total revenue	1,10,286	1,22,765	1,33,160	1,53,493	1,72,797
EBITDA	23,883	23,951	24,304	29,652	36,905
Depreciation	2,039	2,099	2,363	2,623	3,025
EBIT	21,844	21,852	21,941	27,029	33,880
Net interest inc./(exp.)	(1,266)	(1,102)	(1,757)	(1,216)	(834)
Other inc./(exp.)	671	897	1,685	1,785	2,051
Exceptional items	445	98	541	0	0
EBT	20,804	21,553	21,327	27,598	35,098
Income taxes	3,595	3,719	4,303	6,072	8,774
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	17,208	17,834	17,025	21,527	26,323
Adjustments	445	98	541	0	0
Adjusted net profit	17,653	17,931	17,566	21,527	26,323

Balance Sheet

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Accounts payables	20,124	21,630	18,232	18,641	18,670
Other current liabilities	2,262	2,238	2,290	2,640	2,972
Provisions	1,871	1,832	1,786	2,058	2,317
Debt funds	17,965	16,399	10,720	8,040	4,824
Other liabilities	6,217	3,681	4,018	4,534	4,941
Equity capital	1,023	1,023	1,023	1,023	1,023
Reserves & surplus	93,367	1,14,537	1,36,920	1,58,446	1,84,770
Shareholders' fund	94,389	1,15,559	1,37,942	1,59,469	1,85,792
Total liab. and equities	1,42,828	1,61,341	1,74,988	1,95,382	2,19,517
Cash and cash eq.	6,722	11,078	3,907	10,293	18,519
Accounts receivables	10,045	11,163	12,453	14,354	16,160
Inventories	17,163	21,299	15,372	19,857	25,040
Other current assets	4,223	4,890	4,432	5,108	5,751
Investments	6,791	10,154	30,290	34,669	39,924
Net fixed assets	12,102	12,749	14,374	16,554	19,146
CWIP	530	1,148	416	416	416
Intangible assets	76,034	78,459	83,996	84,382	84,812
Deferred tax assets, net	6,768	7,315	7,028	7,028	7,028
Other assets	2,451	3,086	2,721	2,721	2,721
Total assets	1,42,828	1,61,341	1,74,988	1,95,382	2,19,517

Cash Flows

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Cash flow from operations	20,296	14,506	21,506	17,391	20,970
Capital expenditures	(1,639)	(2,765)	(2,274)	(5,189)	(6,048)
Change in investments	(108)	(4,096)	(16,629)	(4,379)	(5,256)
Other investing cash flows	(1,409)	(1,781)	1,320	1,785	2,051
Cash flow from investing	(3,155)	(8,642)	(17,583)	(7,783)	(9,253)
Equities issued/Others	0	0	0	0	0
Debt raised/repaid	(13,720)	(2,198)	(6,344)	0	0
Interest expenses	(1,589)	(1,123)	(1,116)	(1,216)	(834)
Dividends paid	0	0	0	0	0
Other financing cash flows	(2,853)	(474)	(483)	(2,006)	(2,658)
Cash flow from financing	(18,162)	(3,795)	(7,943)	(3,222)	(3,492)
Chg in cash & cash eq.	(1,021)	2,068	(4,020)	6,386	8,225
Closing cash & cash eq.	5,241	7,509	3,576	9,962	18,188

Per Share

Y/E 31 Mar (Rs)	FY21A	FY22A	FY23P	FY24E	FY25E
Reported EPS	16.8	17.4	16.7	21.1	25.8
Adjusted EPS	17.3	17.5	17.2	21.1	25.8
Dividend per share	0.0	0.0	0.0	0.0	0.0
Book value per share	92.3	113.1	135.0	156.0	181.8

Valuations Ratios

Y/E 31 Mar (x)	FY21A	FY22A	FY23P	FY24E	FY25E
EV/Sales	9.9	8.9	8.2	7.1	6.3
EV/EBITDA	45.7	45.6	44.9	36.8	29.6
Adjusted P/E	61.9	60.9	62.2	50.7	41.5
P/BV	11.6	9.4	7.9	6.8	5.9

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23P	FY24E	FY25E
Tax burden (Net profit/PBT)	82.7	82.7	79.8	78.0	75.0
Interest burden (PBT/EBIT)	95.2	98.6	97.2	102.1	103.6
EBIT margin (EBIT/Revenue)	19.8	17.8	16.5	17.6	19.6
Asset turnover (Rev./Avg TA)	77.2	76.1	76.1	78.6	78.7
Leverage (Avg TA/Avg Equity)	1.5	1.4	1.3	1.2	1.2
Adjusted ROAE	18.2	15.4	12.3	13.5	14.2

Ratio Analysis

Y/E 31 Mar	FY21A	FY22A	FY23P	FY24E	FY25E
YoY growth (%)					
Revenue	11.3	11.3	8.5	15.3	12.6
EBITDA	11.4	0.3	1.5	22.0	24.5
Adjusted EPS	9.6	3.6	(4.5)	26.4	22.3
Profitability & Return ratios (%)					
EBITDA margin	21.7	19.5	18.3	19.3	21.4
EBIT margin	19.8	17.8	16.5	17.6	19.6
Adjusted profit margin	16.0	14.6	13.2	14.0	15.2
Adjusted ROAE	18.2	15.4	12.3	13.5	14.2
ROCE	21.5	18.0	15.4	16.5	17.9
Working capital days (days)					
Receivables	33	33	34	34	34
Inventory	127	128	84	98	114
Payables	149	130	99	92	85
Ratios (x)					
Gross asset turnover	0.7	0.7	0.7	0.7	0.7
Current ratio	1.1	1.4	1.8	2.4	3.2
Net interest coverage ratio	17.3	19.8	12.5	22.2	40.6
Adjusted debt/equity	0.2	0.1	0.1	0.1	0.0

Source: Company, BOBCAPS Research | Note: TA = Total Assets

Financials – HUVR

Income Statement

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23A	FY24E	FY25E
Total revenue	4,70,280	5,24,460	6,05,800	6,68,526	7,39,348
EBITDA	1,16,260	1,28,570	1,41,490	1,68,452	1,93,787
Depreciation	10,740	10,910	11,370	12,899	14,626
EBIT	1,05,520	1,17,660	1,30,120	1,55,553	1,79,161
Net interest inc./(exp.)	1,170	1,060	1,140	1,040	1,020
Other inc./(exp.)	4,100	2,580	5,120	5,330	5,596
Exceptional items	(2,390)	(440)	(640)	0	0
EBT	1,06,060	1,18,740	1,33,460	1,59,843	1,83,738
Income taxes	26,060	29,870	32,010	40,280	46,302
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	40	130	230	242	254
Reported net profit	79,960	88,740	1,01,220	1,19,321	1,37,436
Adjustments	(2,390)	(440)	(640)	0	0
Adjusted net profit	82,350	89,180	1,01,600	1,19,321	1,37,436

Balance Sheet

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23A	FY24E	FY25E
Accounts payables	88,020	90,680	95,740	1,00,765	1,08,726
Other current liabilities	5,880	6,650	7,640	8,431	9,324
Provisions	20,850	19,260	17,520	18,931	20,525
Debt funds	0	0	980	980	980
Other liabilities	95,880	94,690	1,00,630	1,11,049	1,22,814
Equity capital	2,350	2,350	2,350	2,350	2,350
Reserves & surplus	4,74,590	4,88,520	5,02,870	5,15,044	5,28,787
Shareholders' fund	4,76,940	4,90,870	5,05,220	5,17,394	5,31,137
Total liab. and equities	6,87,570	7,05,170	7,30,870	7,60,691	7,96,646
Cash and cash eq.	44,710	38,460	46,780	56,559	80,522
Accounts receivables	17,580	22,360	30,790	33,978	37,578
Inventories	35,790	40,960	42,510	44,741	48,276
Other current assets	17,020	17,900	21,430	23,636	26,128
Investments	27,090	35,210	28,820	38,894	38,977
Net fixed assets	61,160	61,690	69,490	69,547	69,249
CWIP	7,450	13,130	11,320	11,320	11,320
Intangible assets	2,79,300	2,79,070	2,82,630	2,82,630	2,82,630
Deferred tax assets, net	170	110	100	110	122
Other assets	1,91,130	1,88,640	1,89,390	1,90,915	1,92,637
Total assets	6,87,570	7,05,170	7,30,870	7,60,691	7,96,646

Cash Flows

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23A	FY24E	FY25E
Cash flow from operations	91,630	90,480	99,910	1,41,367	1,63,086
Capital expenditures	(7,410)	(12,250)	(11,740)	(12,956)	(14,328)
Change in investments	39,600	(7,910)	(3,670)	(10,000)	0
Other investing cash flows	3,000	1,580	2,600	0	0
Cash flow from investing	(12,280)	(17,280)	(14,940)	(23,029)	(14,411)
Equities issued/Others	0	0	0	0	0
Debt raised/repaid	(1,940)	0	780	0	0
Interest expenses	(860)	(820)	(880)	(1,040)	(1,020)
Dividends paid	(88,110)	(75,260)	(84,740)	(1,07,389)	(1,23,692)
Other financing cash flows	(4,060)	(4,070)	(4,690)	0	0
Cash flow from financing	(93,090)	(80,150)	(89,530)	(1,08,429)	(1,24,712)
Chg in cash & cash eq.	(13,740)	(6,950)	(4,560)	9,909	23,963
Closing cash & cash eq.	18,420	11,470	7,010	16,919	40,882

Per Share

Y/E 31 Mar (Rs)	FY21A	FY22A	FY23A	FY24E	FY25E
Reported EPS	34.0	37.8	43.1	50.8	58.5
Adjusted EPS	35.0	37.9	43.2	50.8	58.5
Dividend per share	37.5	32.0	36.0	45.7	52.6
Book value per share	203.0	208.9	215.0	220.2	226.0

Valuations Ratios

Y/E 31 Mar (x)	FY21A	FY22A	FY23A	FY24E	FY25E
EV/Sales	13.4	12.0	10.4	9.4	8.5
EV/EBITDA	54.0	48.9	44.4	37.3	32.4
Adjusted P/E	76.3	70.5	61.8	52.7	45.7
P/BV	13.2	12.8	12.4	12.1	11.8

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23A	FY24E	FY25E
Tax burden (Net profit/PBT)	75.4	74.7	75.8	74.6	74.8
Interest burden (PBT/EBIT)	100.5	100.9	102.6	102.8	102.6
EBIT margin (EBIT/Revenue)	22.4	22.4	21.5	23.3	24.2
Asset turnover (Rev./Avg TA)	68.4	74.4	82.9	87.9	92.8
Leverage (Avg TA/Avg Equity)	1.4	1.4	1.4	1.5	1.5
Adjusted ROAE	16.8	18.1	20.0	23.1	25.9

Ratio Analysis

Y/E 31 Mar	FY21A	FY22A	FY23A	FY24E	FY25E
YoY growth (%)					
Revenue	18.2	11.5	15.5	10.4	10.6
EBITDA	17.9	10.6	10.0	19.1	15.0
Adjusted EPS	9.0	11.0	14.1	17.9	15.2
Profitability & Return ratios (%)					
EBITDA margin	24.7	24.5	23.4	25.2	26.2
EBIT margin	22.4	22.4	21.5	23.3	24.2
Adjusted profit margin	17.5	17.0	16.8	17.8	18.6
Adjusted ROAE	29.4	18.4	20.4	23.3	26.2
ROCE	23.2	15.1	16.4	18.7	20.7

Working capital days (days)

Receivables	11	14	16	18	18
Inventory	52	54	48	48	47
Payables	135	127	107	107	106

Ratios (x)

Gross asset turnover	0.7	0.7	0.8	0.8	0.8
Current ratio	1.3	1.4	1.4	1.6	1.7
Net interest coverage ratio	90.2	111.0	114.1	149.6	175.6
Adjusted debt/equity	0.0	0.0	0.2	0.2	0.2

Source: Company, BOBCAPS Research | Note: TA = Total Assets

Financials – ITC

Income Statement

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Total revenue	4,92,728	6,06,681	7,09,369	7,94,958	8,97,358
EBITDA	1,70,027	2,06,584	2,56,649	2,84,518	3,24,844
Depreciation	16,456	17,324	18,090	20,540	22,209
EBIT	1,53,571	1,89,260	2,38,559	2,63,977	3,02,634
Net interest inc./(exp.)	(446)	(394)	(432)	(475)	(523)
Other inc./(exp.)	26,326	18,364	19,805	20,562	21,145
Exceptional items	0	0	(729)	0	0
EBT	1,79,451	2,07,230	2,58,661	2,84,064	3,23,257
Income taxes	45,553	52,373	64,384	71,584	81,461
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	(69)	175	490	515	582
Reported net profit	1,33,829	1,55,031	1,94,767	2,12,995	2,42,377
Adjustments	0	0	(729)	0	0
Adjusted net profit	1,33,829	1,55,031	1,94,039	2,12,995	2,42,377

Balance Sheet

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Accounts payables	43,187	44,173	46,590	36,519	41,367
Other current liabilities	42,944	51,160	55,714	55,714	55,714
Provisions	3,815	3,006	3,598	3,598	3,598
Debt funds	95	56	388	388	388
Other liabilities	41,211	45,982	57,153	57,153	57,153
Equity capital	12,309	12,323	12,428	12,428	12,428
Reserves & surplus	5,94,633	6,15,895	6,82,960	7,17,444	7,56,685
Shareholders' fund	6,06,942	6,28,219	6,95,388	7,29,872	7,69,113
Total liab. and equities	7,38,193	7,72,596	8,58,830	8,83,243	9,27,332
Cash and cash eq.	2,904	2,714	4,634	10,710	9,232
Accounts receivables	25,017	24,619	29,562	33,128	37,396
Inventories	1,03,972	1,08,642	1,17,712	1,30,689	1,46,031
Other current assets	10,952	13,061	15,618	15,618	15,618
Investments	2,49,809	2,49,505	2,95,580	2,91,900	3,12,248
Net fixed assets	1,91,539	2,02,074	2,11,171	2,16,069	2,21,678
CWIP	40,045	31,985	29,847	29,847	29,847
Intangible assets	20,179	20,402	27,459	27,459	27,459
Deferred tax assets, net	585	635	520	520	520
Other assets	93,190	1,18,960	1,26,728	1,27,303	1,27,303
Total assets	7,38,193	7,72,596	8,58,830	8,83,243	9,27,332

Cash Flows

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Cash flow from operations	1,25,270	1,57,755	1,88,776	2,06,921	2,49,825
Capital expenditures	(18,366)	(21,416)	(27,430)	(25,439)	(27,818)
Change in investments	52,592	(18,536)	(94,376)	3,680	(20,348)
Other investing cash flows	22,604	17,567	64,482	0	0
Cash flow from investing	56,829	(22,385)	(57,323)	(21,759)	(48,166)
Equities issued/Others	2,907	2,918	24,774	0	0
Debt raised/repaid	(570)	(597)	(598)	0	0
Interest expenses	(412)	(396)	(414)	0	0
Dividends paid	(1,88,674)	(1,37,883)	(1,53,971)	(1,78,511)	(2,03,137)
Other financing cash flows	412	153	149	0	0
Cash flow from financing	(1,86,338)	(1,35,805)	(1,30,060)	(1,78,511)	(2,03,137)
Chg in cash & cash eq.	(4,239)	(435)	1,392	6,651	(1,477)
Closing cash & cash eq.	2,904	2,714	4,633	10,710	9,232

Per Share

Y/E 31 Mar (Rs)	FY21A	FY22A	FY23P	FY24E	FY25E
Reported EPS	10.7	12.4	15.5	16.9	19.3
Adjusted EPS	10.9	12.6	15.4	16.9	19.3
Dividend per share	15.3	11.2	11.3	14.4	16.4
Book value per share	49.0	50.7	56.1	58.9	62.0

Valuations Ratios

Y/E 31 Mar (x)	FY21A	FY22A	FY23P	FY24E	FY25E
EV/Sales	11.9	9.7	8.3	7.4	6.5
EV/EBITDA	34.5	28.4	22.9	20.6	18.1
Adjusted P/E	43.4	37.4	30.6	27.9	24.5
P/BV	9.6	9.3	8.4	8.0	7.6

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23P	FY24E	FY25E
Tax burden (Net profit/PBT)	74.6	74.8	75.0	75.0	75.0
Interest burden (PBT/EBIT)	116.9	109.5	108.4	107.6	106.8
EBIT margin (EBIT/Revenue)	31.2	31.2	33.6	33.2	33.7
Asset turnover (Rev./Avg TA)	66.7	78.5	82.6	90.0	96.8
Leverage (Avg TA/Avg Equity)	1.2	1.2	1.2	1.2	1.2
Adjusted ROAE	22.0	24.7	27.9	29.2	31.5

Ratio Analysis

Y/E 31 Mar	FY21A	FY22A	FY23P	FY24E	FY25E
YoY growth (%)					
Revenue	(0.3)	23.1	16.9	12.1	12.9
EBITDA	(11.7)	21.5	24.2	10.9	14.2
Adjusted EPS	(13.4)	15.8	22.4	9.7	13.8

Profitability & Return ratios (%)

EBITDA margin	34.5	34.1	36.2	35.8	36.2
EBIT margin	31.2	31.2	33.6	33.2	33.7
Adjusted profit margin	27.2	25.6	27.4	26.8	27.0
Adjusted ROAE	22.0	24.7	27.9	29.2	31.5
ROCE	25.3	30.1	34.3	36.1	39.3

Working capital days (days)

Receivables	19	15	15	15	15
Inventory	189	150	148	148	148
Payables	78	61	59	59	59

Ratios (x)

Gross asset turnover	1.9	2.1	2.2	2.3	2.4
Current ratio	3.3	2.8	2.9	3.3	3.4
Net interest coverage ratio	344.5	480.8	552.2	555.5	579.0
Adjusted debt/equity	0.0	0.0	0.0	0.0	0.0

Source: Company, BOBCAPS Research | Note: TA = Total Assets

Financials – MRCO

Income Statement

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Total revenue	80,480	95,120	97,640	1,08,052	1,20,565
EBITDA	15,910	16,810	18,100	21,151	24,457
Depreciation	1,390	1,390	1,550	1,793	2,082
EBIT	14,520	15,420	16,550	19,358	22,375
Net interest inc./(exp.)	340	390	560	665	665
Other inc./(exp.)	940	980	1,440	1,227	1,289
Exceptional items	130	0	0	0	0
EBT	15,250	16,010	17,430	19,920	22,999
Income taxes	3,240	3,460	4,210	4,582	5,520
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	270	300	200	210	221
Reported net profit	11,720	12,250	13,020	15,129	17,258
Adjustments	130	0	0	0	0
Adjusted net profit	11,590	12,250	13,020	15,129	17,258

Balance Sheet

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Accounts payables	11,340	13,440	14,520	15,414	17,032
Other current liabilities	2,870	2,240	2,170	2,401	2,679
Provisions	210	220	480	484	489
Debt funds	3,480	3,450	4,750	4,770	4,770
Other liabilities	4,620	4,460	7,980	8,517	9,163
Equity capital	1,290	1,290	1,290	1,290	1,290
Reserves & surplus	31,290	32,760	38,270	44,985	52,627
Shareholders' fund	32,580	34,050	39,560	46,275	53,917
Total liab. and equities	55,100	57,860	69,460	77,863	88,051
Cash and cash eq.	9,440	5,790	7,560	12,692	18,528
Accounts receivables	3,880	6,520	10,150	11,232	12,533
Inventories	11,260	14,120	12,250	13,079	14,451
Other current assets	2,500	2,210	2,460	2,716	3,023
Investments	8,540	8,280	10,960	11,512	12,176
Net fixed assets	5,720	6,000	6,330	6,567	6,896
CWIP	240	390	670	670	670
Intangible assets	2,300	3,060	5,600	5,600	5,600
Deferred tax assets, net	1,860	1,870	1,460	1,616	1,803
Other assets	9,360	9,620	12,020	12,179	12,370
Total assets	55,100	57,860	69,460	77,863	88,051

Cash Flows

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Cash flow from operations	20,070	10,160	14,190	16,982	19,414
Capital expenditures	(1,420)	(1,320)	(1,820)	(2,161)	(2,411)
Change in investments	(4,260)	3,370	(3,890)	0	0
Other investing cash flows	(3,700)	2,200	(3,580)	(552)	(664)
Cash flow from investing	(9,380)	4,250	(9,290)	(2,713)	(3,075)
Equities issued/Others	60	410	90	0	0
Debt raised/repaid	130	(30)	1,280	0	0
Interest expenses	(210)	(280)	(420)	(665)	(665)
Dividends paid	(9,900)	(12,170)	(6,070)	(8,623)	(9,837)
Other financing cash flows	(660)	(830)	(480)	151	0
Cash flow from financing	(10,580)	(12,900)	(5,600)	(9,137)	(10,502)
Chg in cash & cash eq.	110	1,510	(700)	5,132	5,837
Closing cash & cash eq.	1,090	2,760	2,070	7,202	13,038

Per Share

Y/E 31 Mar (Rs)	FY21A	FY22A	FY23P	FY24E	FY25E
Reported EPS	9.1	9.5	10.1	11.7	13.4
Adjusted EPS	9.0	9.5	10.1	11.7	13.4
Dividend per share	37.5	9.4	4.7	6.7	7.6
Book value per share	25.3	26.4	30.7	35.9	41.8

Valuations Ratios

Y/E 31 Mar (x)	FY21A	FY22A	FY23P	FY24E	FY25E
EV/Sales	8.6	7.3	7.1	6.4	5.8
EV/EBITDA	43.6	41.3	38.3	32.8	28.4
Adjusted P/E	59.9	56.6	53.3	45.9	40.2
P/BV	21.3	20.4	17.5	15.0	12.9

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23P	FY24E	FY25E
Tax burden (Net profit/PBT)	76.9	76.5	74.7	75.9	75.0
Interest burden (PBT/EBIT)	105.0	103.8	105.3	102.9	102.8
EBIT margin (EBIT/Revenue)	18.0	16.2	17.0	17.9	18.6
Asset turnover (Rev./Avg TA)	146.1	164.4	140.6	138.8	136.9
Leverage (Avg TA/Avg Equity)	1.7	1.7	1.8	1.7	1.6
Adjusted ROAE	36.0	36.0	32.9	32.7	32.0

Ratio Analysis

Y/E 31 Mar	FY21A	FY22A	FY23P	FY24E	FY25E
YoY growth (%)					
Revenue	10.0	18.2	2.6	10.7	11.6
EBITDA	8.3	5.7	7.7	16.9	15.6
Adjusted EPS	14.8	4.5	6.3	16.2	14.1

Profitability & Return ratios (%)

EBITDA margin	19.8	17.7	18.5	19.6	20.3
EBIT margin	18.0	16.2	17.0	17.9	18.6
Adjusted profit margin	14.4	12.9	13.3	14.0	14.3
Adjusted ROAE	36.8	36.8	35.4	35.3	34.5
ROCE	31.0	30.9	28.0	27.9	27.8

Working capital days (days)

Receivables	21	20	31	36	36
Inventory	107	85	90	81	80
Payables	90	83	95	96	94

Ratios (x)

Gross asset turnover	1.4	1.5	1.3	1.3	1.2
Current ratio	1.7	1.6	1.6	1.8	2.0
Net interest coverage ratio	42.7	39.5	29.6	29.1	33.6
Adjusted debt/equity	10.7	10.1	12.0	10.3	8.8

Source: Company, BOBCAPS Research | Note: TA = Total Assets

Financials – NEST

Income Statement

Y/E 31 Dec (Rs mn)	CY20A	CY21A	CY22A	CY23E	CY24E
Total revenue	1,33,500	1,47,406	1,68,969	1,98,192	2,25,516
EBITDA	32,015	35,664	37,125	47,894	56,828
Depreciation	3,704	3,910	4,030	5,166	6,766
EBIT	28,311	31,754	33,095	42,728	50,061
Net interest inc./(exp.)	(1,642)	(2,017)	(1,546)	(1,969)	(2,132)
Other inc./(exp.)	1,459	1,202	1,010	1,236	1,353
Exceptional items	0	2,365	0	0	0
EBT	28,128	28,573	32,560	41,995	49,283
Income taxes	7,304	7,389	8,655	10,753	12,616
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	20,824	21,184	23,905	31,242	36,666
Adjustments	0	2,365	0	0	0
Adjusted net profit	20,824	23,549	23,905	31,242	36,666

Balance Sheet

Y/E 31 Dec (Rs mn)	CY20A	CY21A	CY22A	CY23E	CY24E
Accounts payables	15,166	17,482	19,338	24,063	26,657
Other current liabilities	1,588	1,703	2,310	2,310	2,310
Provisions	33,742	34,240	33,659	45,778	51,868
Debt funds	348	341	300	300	300
Other liabilities	7,959	9,112	9,589	9,684	9,721
Equity capital	964	964	964	964	964
Reserves & surplus	19,229	18,500	23,628	28,408	34,018
Shareholders' fund	20,193	19,464	24,592	29,372	34,982
Total liab. and equities	78,997	82,341	89,787	1,11,507	1,25,838
Cash and cash eq.	17,548	7,185	9,266	14,774	10,192
Accounts receivables	1,649	1,660	1,919	2,172	2,471
Inventories	14,165	15,927	19,288	22,035	24,410
Other current assets	976	1,942	1,963	2,357	2,682
Investments	14,638	7,740	7,775	7,775	7,775
Net fixed assets	19,680	26,530	27,058	34,892	48,125
CWIP	6,386	2,462	3,584	3,584	3,584
Intangible assets	0	0	0	0	0
Deferred tax assets, net	199	258	256	256	256
Other assets	3,756	18,638	18,679	23,663	26,342
Total assets	78,997	82,341	89,787	1,11,507	1,25,838

Cash Flows

Y/E 31 Dec (Rs mn)	CY20A	CY21A	CY22A	CY23E	CY24E
Cash flow from operations	24,545	22,360	27,374	50,592	49,895
Capital expenditures	(4,784)	(7,348)	(5,499)	(13,000)	(20,000)
Change in investments	20	(13,523)	1,288	1,475	0
Other investing cash flows	1,549	1,668	294	(3,653)	(1,289)
Cash flow from investing	(3,215)	(19,203)	(3,917)	(15,178)	(21,289)
Equities issued/Others	0	0	0	0	0
Debt raised/repaid	(602)	0	0	0	0
Interest expenses	(90)	(917)	(980)	(1,969)	(2,132)
Dividends paid	(18,898)	(19,283)	(20,247)	(26,462)	(31,056)
Other financing cash flows	31	0	0	0	0
Cash flow from financing	(19,559)	(20,200)	(21,227)	(28,430)	(33,188)
Chg in cash & cash eq.	1,771	(17,043)	2,229	6,983	(4,582)
Closing cash & cash eq.	17,548	7,102	7,791	14,774	10,192

Per Share

Y/E 31 Dec (Rs)	CY20A	CY21A	CY22A	CY23E	CY24E
Reported EPS	216.0	222.5	247.9	324.0	380.3
Adjusted EPS	216.0	244.2	247.9	324.0	380.3
Dividend per share	196.0	200.0	210.0	274.5	322.1
Book value per share	209.4	201.9	255.1	304.6	362.8

Valuations Ratios

Y/E 31 Dec (x)	CY20A	CY21A	CY22A	CY23E	CY24E
EV/Sales	16.7	15.1	13.2	11.2	9.9
EV/EBITDA	69.4	62.3	59.9	46.4	39.1
Adjusted P/E	106.8	94.4	93.0	71.2	60.6
P/BV	110.1	114.2	90.4	75.7	63.6

DuPont Analysis

Y/E 31 Dec (%)	CY20A	CY21A	CY22A	CY23E	CY24E
Tax burden (Net profit/PBT)	74.0	74.1	73.4	74.4	74.4
Interest burden (PBT/EBIT)	99.4	90.0	98.4	98.3	98.4
EBIT margin (EBIT/Revenue)	21.2	21.5	19.6	21.6	22.2
Asset turnover (Rev./Avg TA)	169.0	179.0	188.2	177.7	179.2
Leverage (Avg TA/Avg Equity)	3.9	4.2	3.7	3.8	3.6
Adjusted ROAE	103.1	108.8	97.2	106.4	104.8

Ratio Analysis

Y/E 31 Dec	CY20A	CY21A	CY22A	CY23E	CY24E
YoY growth (%)					
Revenue	7.9	10.4	14.6	17.3	13.8
EBITDA	10.8	11.4	4.1	29.0	18.7
Adjusted EPS	4.4	13.1	1.5	30.7	17.4
Profitability & Return ratios (%)					
EBITDA margin	24.0	24.2	22.0	24.2	25.2
EBIT margin	21.2	21.5	19.6	21.6	22.2
Adjusted profit margin	15.6	16.0	14.1	15.8	16.3
Adjusted ROAE	103.1	108.8	97.2	106.4	104.8
ROCE	137.8	160.3	133.0	144.0	141.9

Working capital days (days)

Receivables	5	4	4	4	4
Inventory	91	92	91	92	92
Payables	98	101	91	100	100

Ratios (x)

Gross asset turnover	2.8	2.4	6.2	5.7	4.7
Current ratio	1.7	1.0	1.1	1.2	1.1
Net interest coverage ratio	17.2	15.7	21.4	21.7	23.5
Adjusted debt/equity	1.7	1.7	1.2	1.0	0.9

Source: Company, BOBCAPS Research | Note: TA = Total Assets

Financials – TATACONS

Income Statement

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23A	FY24E	FY25E
Total revenue	1,16,020	1,24,254	1,37,832	1,54,545	1,73,125
EBITDA	15,438	17,188	18,565	23,343	26,024
Depreciation	2,547	2,780	3,041	3,062	3,220
EBIT	12,890	14,408	15,524	20,281	22,804
Net interest inc./(exp.)	(687)	(728)	(872)	(850)	(850)
Other inc./(exp.)	1,214	1,401	1,689	1,408	1,408
Exceptional items	(307)	(521)	(1,595)	0	0
EBT	13,111	14,560	14,747	20,839	23,362
Income taxes	3,172	3,770	4,470	5,251	5,887
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	104	156	900	307	360
Reported net profit	8,567	9,358	8,849	14,968	16,781
Adjustments	(307)	(521)	(1,595)	0	0
Adjusted net profit	8,874	9,878	10,443	14,968	16,781

Balance Sheet

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23A	FY24E	FY25E
Accounts payables	16,255	19,159	23,482	25,612	28,691
Other current liabilities	1,361	1,322	1,735	1,735	1,735
Provisions	2,942	2,488	2,449	2,449	2,449
Debt funds	7,206	10,106	11,828	11,828	11,828
Other liabilities	18,525	15,162	17,349	17,349	17,349
Equity capital	922	922	929	929	929
Reserves & surplus	1,55,349	1,62,014	1,70,340	1,76,510	1,90,996
Shareholders' fund	1,56,270	1,62,936	1,71,269	1,77,439	1,87,942
Total liab. and equities	2,02,559	2,11,172	2,28,111	2,36,412	2,49,993
Cash and cash eq.	20,420	14,980	15,396	18,664	25,758
Accounts receivables	7,613	8,352	7,983	8,951	10,027
Inventories	22,492	22,665	27,017	29,467	33,010
Other current assets	16,730	23,380	25,143	25,143	25,143
Investments	5,986	5,630	11,403	11,403	11,403
Net fixed assets	12,227	14,803	16,047	18,118	20,465
CWIP	932	2,094	2,861	2,861	2,861
Intangible assets	1,04,006	1,05,456	1,08,753	1,08,296	1,07,818
Deferred tax assets, net	381	427	486	486	486
Other assets	11,773	13,385	10,874	10,874	10,874
Total assets	2,02,559	2,11,172	2,28,111	2,36,412	2,49,993

Cash Flows

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23A	FY24E	FY25E
Cash flow from operations	16,564	15,158	11,424	18,211	20,005
Capital expenditures	(2,107)	(2,733)	(3,118)	(4,074)	(4,489)
Change in investments	4,149	(971)	(5,818)	0	0
Other investing cash flows	(5,008)	(4,512)	2,076	4,967	(1,522)
Cash flow from investing	(4,084)	(13,218)	(8,278)	893	(6,011)
Equities issued/Others	0	0	0	0	0
Debt raised/repaid	(573)	(4,947)	(38)	0	0
Interest expenses	(654)	(625)	(817)	0	0
Dividends paid	(2,582)	(3,848)	(5,734)	(6,155)	(6,900)
Other financing cash flows	(451)	(528)	(556)	0	0
Cash flow from financing	(4,260)	(9,948)	(7,144)	(6,155)	(6,900)
Chg in cash & cash eq.	8,838	(7,961)	(4,056)	12,949	7,094
Closing cash & cash eq.	17,732	9,771	5,715	18,664	25,758

Per Share

Y/E 31 Mar (Rs)	FY21A	FY22A	FY23A	FY24E	FY25E
Reported EPS	9.3	10.2	13.0	16.1	18.1
Adjusted EPS	9.6	10.7	11.3	16.1	18.1
Dividend per share	2.7	4.1	6.2	6.6	7.4
Book value per share	169.6	176.8	185.8	192.5	203.9

Valuations Ratios

Y/E 31 Mar (x)	FY21A	FY22A	FY23A	FY24E	FY25E
EV/Sales	6.8	6.3	5.7	5.1	4.5
EV/EBITDA	50.7	45.6	42.2	33.6	30.1
Adjusted P/E	87.6	78.7	74.8	52.3	46.7
P/BV	5.0	4.8	4.5	4.4	4.1

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23A	FY24E	FY25E
Tax burden (Net profit/PBT)	65.3	64.3	60.0	71.8	71.8
Interest burden (PBT/EBIT)	101.7	101.1	95.0	102.8	102.4
EBIT margin (EBIT/Revenue)	11.1	11.6	11.3	13.1	13.2
Asset turnover (Rev./Avg TA)	57.3	58.8	60.4	65.4	69.3
Leverage (Avg TA/Avg Equity)	1.3	1.3	1.3	1.3	1.3
Adjusted ROAE	5.5	5.7	5.2	8.4	8.9

Ratio Analysis

Y/E 31 Mar	FY21A	FY22A	FY23A	FY24E	FY25E
YoY growth (%)					
Revenue	20.4	7.1	10.9	12.1	12.0
EBITDA	19.5	11.3	8.0	25.7	11.5
Adjusted EPS	86.3	9.2	28.2	23.7	12.1
Profitability & Return ratios (%)					
EBITDA margin	13.3	13.8	13.5	15.1	15.0
EBIT margin	11.1	11.6	11.3	13.1	13.2
Adjusted profit margin	7.6	8.0	7.6	9.7	9.7
Adjusted ROAE	5.5	5.7	5.2	8.4	8.9
ROCE	7.9	8.3	8.5	10.7	11.4

Working capital days (days)

Receivables	24	25	21	21	21
Inventory	119	117	123	123	123
Payables	86	99	107	107	107

Ratios (x)

Gross asset turnover	0.7	0.7	0.7	0.8	0.8
Current ratio	2.3	2.2	2.1	2.2	2.3
Net interest coverage ratio	18.8	19.8	17.8	23.8	26.8
Adjusted debt/equity	0.0	0.1	0.1	0.1	0.1

Source: Company, BOBCAPS Research | Note: TA = Total Assets

Financials – ZYWL

Income Statement

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Total revenue	18,667	20,091	22,549	25,242	28,288
EBITDA	3,444	3,447	3,373	4,531	5,007
Depreciation	252	236	250	300	338
EBIT	3,192	3,211	3,122	4,231	4,669
Net interest inc./(exp.)	838	255	161	160	160
Other inc./(exp.)	89	104	49	65	65
Exceptional items	1,321	0	101	1	1
EBT	1,122	3,060	2,910	4,134	4,572
Income taxes	(65)	(29)	(195)	0	0
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	1,188	3,088	3,105	4,134	4,572
Adjustments	1,321	0	101	1	1
Adjusted net profit	2,509	3,088	3,205	4,135	4,573

Balance Sheet

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Accounts payables	4,386	3,643	3,133	2,707	2,967
Other current liabilities	470	345	386	432	484
Provisions	312	347	410	443	480
Debt funds	5,498	3,815	2,925	1,800	700
Other liabilities	321	333	250	273	299
Equity capital	636	636	636	636	636
Reserves & surplus	45,042	47,804	50,590	53,691	57,120
Shareholders' fund	45,678	48,440	51,227	54,327	57,756
Total liab. and equities	56,664	56,922	58,331	59,982	62,687
Cash and cash eq.	1,737	1,154	370	3,199	4,638
Accounts receivables	943	1,423	2,078	1,176	1,318
Inventories	3,647	3,616	4,575	3,722	4,079
Other current assets	2,142	1,673	1,356	1,434	1,605
Investments	0	270	700	700	700
Net fixed assets	1,996	2,445	2,704	3,003	3,365
CWIP	37	119	130	130	130
Intangible assets	44,678	44,655	44,620	44,620	44,620
Deferred tax assets, net	1,265	1,298	1,493	1,671	1,873
Other assets	219	268	300	328	360
Total assets	56,664	56,922	58,331	59,982	62,687

Cash Flows

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Cash flow from operations	2,866	2,409	930	5,879	4,711
Capital expenditures	(197)	(754)	(450)	(600)	(700)
Change in investments	(19)	(205)	(413)	0	0
Other investing cash flows	111	100	14	(142)	(169)
Cash flow from investing	(104)	(860)	(848)	(742)	(869)
Equities issued/Others	9,866	0	0	0	0
Debt raised/repaid	(9,693)	(1,683)	(890)	(1,125)	(1,100)
Interest expenses	(1,012)	(325)	(159)	(160)	(160)
Dividends paid	(2)	(319)	(319)	(1,034)	(1,143)
Other financing cash flows	(1,324)	(12)	(17)	0	0
Cash flow from financing	(2,164)	(2,338)	(1,385)	(2,319)	(2,403)
Chg in cash & cash eq.	599	(829)	(1,316)	2,818	1,439
Closing cash & cash eq.	2,526	1,697	381	3,199	4,638

Per Share

Y/E 31 Mar (Rs)	FY21A	FY22A	FY23P	FY24E	FY25E
Reported EPS	18.7	48.6	48.8	65.0	71.9
Adjusted EPS	39.4	48.6	50.4	65.0	71.9
Dividend per share	118.0	74.5	12.2	16.3	18.0
Book value per share	718.2	761.6	805.4	854.2	908.1

Valuations Ratios

Y/E 31 Mar (x)	FY21A	FY22A	FY23P	FY24E	FY25E
EV/Sales	5.0	4.7	4.1	3.7	3.3
EV/EBITDA	27.2	27.1	27.7	20.6	18.7
Adjusted P/E	37.3	30.3	29.2	22.6	20.5
P/BV	2.0	1.9	1.8	1.7	1.6

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23P	FY24E	FY25E
Tax burden (Net profit/PBT)	105.8	100.9	106.7	100.0	100.0
Interest burden (PBT/EBIT)	37.2	96.2	99.4	97.7	97.9
EBIT margin (EBIT/Revenue)	17.1	16.0	13.8	16.8	16.5
Asset turnover (Rev./Avg TA)	32.9	35.3	38.7	42.1	45.1
Leverage (Avg TA/Avg Equity)	1.2	1.2	1.1	1.1	1.1
Adjusted ROAE	2.6	6.4	6.1	7.6	7.9

Ratio Analysis

Y/E 31 Mar	FY21A	FY22A	FY23P	FY24E	FY25E
YoY growth (%)					
Revenue	5.7	7.6	12.2	11.9	12.1
EBITDA	17.0	0.1	(2.2)	34.3	10.5
Adjusted EPS	(24.0)	160.1	0.5	33.2	10.6

Profitability & Return ratios (%)

EBITDA margin	18.4	17.2	15.0	18.0	17.7
EBIT margin	17.1	16.0	13.8	16.8	16.5
Adjusted profit margin	13.4	15.4	14.2	16.4	16.2
Adjusted ROAE	2.6	6.4	6.1	7.6	7.9
ROCE	6.2	6.1	5.8	7.5	8.0

Working capital days (days)

Receivables	18	26	17	17	17
Inventory	158	135	110	110	110
Payables	189	136	80	80	80

Ratios (x)

Gross asset turnover	0.3	0.3	0.4	0.4	0.4
Current ratio	1.1	1.1	1.3	1.9	2.6
Net interest coverage ratio	3.8	12.6	19.4	26.4	29.1
Adjusted debt/equity	0.1	0.1	0.1	0.0	0.0

Source: Company, BOBCAPS Research | Note: TA = Total Assets

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Note: Recommendation structure changed with effect from 21 June 2021

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