INSTITUTIONAL RESEARCH

Nestlé India

In-line Q1; H2FY27 delivery key on high base

We maintain BUY with Sep-27 target price of INR1,555, based on 60x P/E, at a ~10% discount to last five years average forward P/E. As highlighted in our coverage initiation note *Building Newer Moat Crucial For Valuations*, we continue to prefer companies with better execution in FMCG. Nestlé India remains an execution-led story, having consistently shaped its brands to stay relevant. Under new leadership, the company has sharpened online execution and responded well to evolving consumer needs. Q2 marks the fourth consecutive quarter of healthy topline (+20%) and earnings (37%) growth. Several recent actions appear structural and should support growth on a high base, albeit at a moderate pace. With relatively better pricing power and an improving mix, Nestlé India is well-placed to navigate inflationary trends.

- **Execution-driven healthy topline performance in Q2FY27:** Nestlé India delivered a robust 20% domestic revenue growth, supported by an estimated 11% volume growth (real internal growth at ~16%). Milk products posted strong broad-based growth, with sequential improvement. Prepared dishes and cooking aids registered continuous traction, aided by intensified initiatives around *Maggi*. The confectionery portfolio delivered volume-led double-digit growth, supported by sustained share gains in *KitKat* and steady momentum in *Munch* and *Milkybar*, with premium launches continuing to perform well. Powdered and liquid beverages sustained broad-based, volume-led growth across the portfolio. General trade saw double-digit growth across town classes, led by strong momentum in rural markets, while e-commerce maintained solid traction. Exports grew 22% YoY, driven by portfolio expansion and market development, contributing 4% to revenue.
- **Healthy Q2 profit growth with margin expansion:** Nestlé India reported a gross margin of 56.9%, expanding ~270bps YoY and contracting 20bps QoQ. Other operating spends rose 180bps YoY to ~25% (absolute spends up 30%), where A&P spends increased 46% in Q2. This translated into a ~190bps YoY expansion in EBITDA margin to 23.8%. As a result, EBITDA and adjusted PAT grew 31% and 37% YoY. On the raw-material side, management expects coffee and wheat to remain range-bound, while sugar and edible oils have stabilized at elevated levels. Cocoa remains volatile due to weather-related crop concerns in key origins. Milk prices have strengthened seasonally but should ease as flush supplies arrive. Despite inflationary headwinds, we believe margins will stay healthy, aided by an improving sales mix.
- **High base weighs on valuations, execution to defy concerns; maintain BUY:** Nestlé India remains our execution pick in the sector, with strategic actions across the portfolio set to drive deeper penetration and sustain relative topline outperformance. We continue to value its strong distribution and portfolio initiatives, particularly the brand's increasing resonance with Gen Z. The stock now trades at a forward P/E of 54.5x, below its -2 S.D. 5Y avg.

Quarterly/annual financial summary

YE Mar (INR mn)	Q2 FY27	Q2 FY26	YoY (%)	Q1 FY26	QoQ (%)	FY26	FY27E	FY28E	FY29E
Net Sales	67,822	56,302	20.5	63,633	6.6	230,715	265,267	293,786	325,601
EBITDA	16,155	12,327	31.0	15,381	5.0	53,061	63,212	71,884	81,343
EBITDA Margin (%)	24	22	193bps	24	-36bps	23	24	24	25
APAT	10,295	7,532	36.7	9,797	5.1	33,744	40,478	46,545	53,532
Adj. EPS (INR/Share)	5.3	3.9	36.7	5.1	5.1	17.5	21.0	24.1	27.8
P/E (x)						73	61	53	46

Source: Company, HSIE Research

BUY

CMP *(as on 15 Oct 2026)*	INR 1,276
Target Price	INR 1,555
NIFTY	22,997

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR1,555	INR 1,555
EPS %	FY27E	FY28E
	0%	0%

KEY STOCK DATA

Bloomberg code	NEST IN
No. of Shares (mn)	1,928
MCap (INR bn) / ($ mn)	2,460/25,881
6m avg traded value (INR mn)	3,040
52 Week high / low	INR 1,553/1,158

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(10.4)	1.7	4.6
Relative (%)	(6.7)	6.5	14.6

SHAREHOLDING PATTERN (%)

	Jun-26	Sep-26
Promoters	62.8	62.8
FIs & Local MFs	11.9	11.7
FPIs	10.3	10.7
Public & Others	15.0	14.8
Pledged Shares	0.00	0.00

Source : NSE

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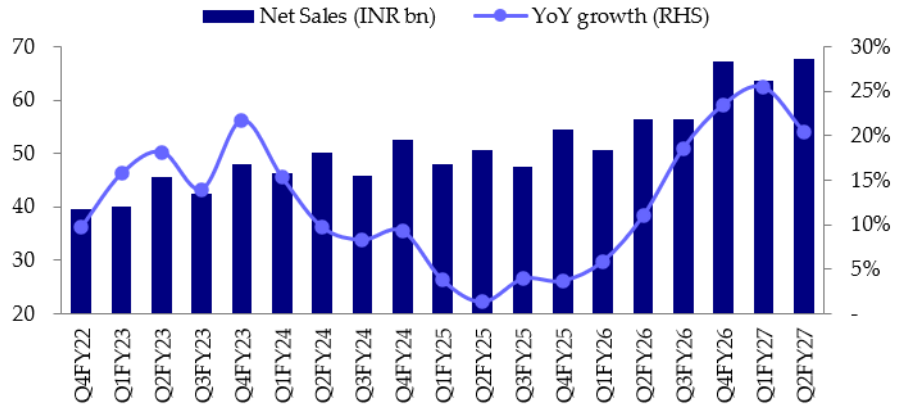
Quarterly result review

Exhibit 1: Quarterly and Half-Yearly P&L summary

(INR mn)	2QFY27	2QFY26	YoY (%)	1QFY27	QoQ (%)	HSIE est	Act vs Est	H1FY27	H1FY26	YoY (%)
Total income	67,883	56,436	20.3	63,782	6.4	68,092	(0.3)	131,665	107,398	22.6
Cost of goods	29,244	25,781	13.4	27,270	7.2	30,212	(3.2)	56,513	48,500	16.5
Employee expenses	5,687	5,367	6.0	5,706	(0.3)	5,600	1.6	11,393	10,533	8.2
Other expenses	16,798	12,922	30.0	15,425	8.9	16,200	3.7	32,223	25,035	28.7
EBITDA	**16,155**	**12,366**	**30.6**	**15,381**	**5.0**	**16,080**	**0.5**	**31,536**	**23,330**	**35.2**
OPM (%)	**23.8**	**21.9**	**190bps**	**24.1**	**-30bps**	**23.6**	**20bps**	**24.0**	**21.7**	**220bps**
Depreciation	1,924	1,634	17.8	1,878	2.5	1,900	1.3	3,802	3,203	18.7
EBIT	**14,231**	**10,733**	**32.6**	**13,503**	**5.4**	**14,180**	**0.4**	**27,734**	**20,127**	**37.8**
EBIT Margin (%)	**21.0**	**19.0**	**190bps**	**21.2**	**-20bps**	**20.8**	**10bps**	**21.1**	**18.7**	**230bps**
Interest cost	403	464	(13.2)	422	(4.5)	350	15.1	825	933	(11.6)
Other income	203	16	1135.4	225	(9.8)	250	(19.0)	427	96	346.0
PBT	**14,031**	**10,285**	**36.4**	**13,306**	**5.4**	**14,080**	**(0.4)**	**27,337**	**19,290**	**41.7**
Tax	3,726	2,753	35.3	3,493	6.7	3,731	(0.1)	7,219	5,166	39.7
Tax rate (%)	26.6	26.8	-20bps	26.2	30bps	26.5	10bps	26.4	26.8	-40bps
Non-recurring items	(37)	0	NM	(62)	(40.77)	0	-	(99)	0	NM
PAT	**10,268**	**7,532**	**36**	**9,751**	**5.3**	**10,349**	**(0.8)**	**20,019**	**14,124**	**42**
Adj Profit	**10,295**	**7,532**	**36.7**	**9,797**	**5.1**	**10,349**	**(0.5)**	**20,092**	**14,124**	**42.3**
PAT margin (%)	**15.2**	**13.3**	**180bps**	**15.4**	**-20bps**	**15.2**	**0bps**	**15.3**	**13.2**	210bps
EPS (INR)	5.3	3.9	36.7	5.1	5.1	5.4	-0.5	10.4	7.3	42.2

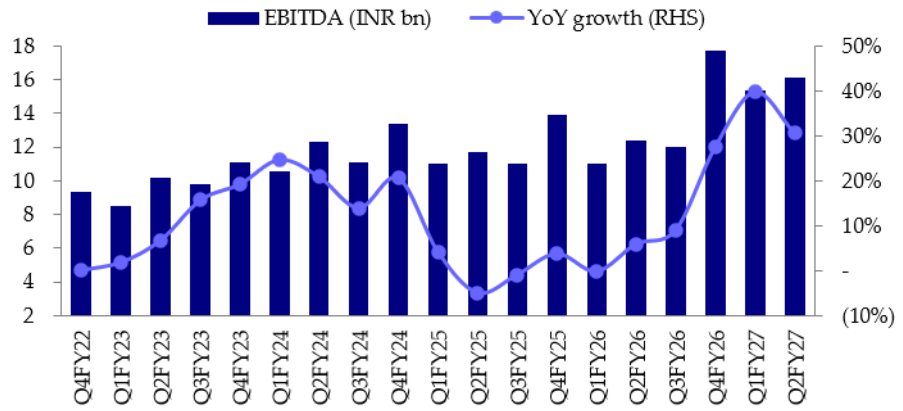
Source: Company, HSIE Research

Exhibit 2: Quarterly revenue and growth trend



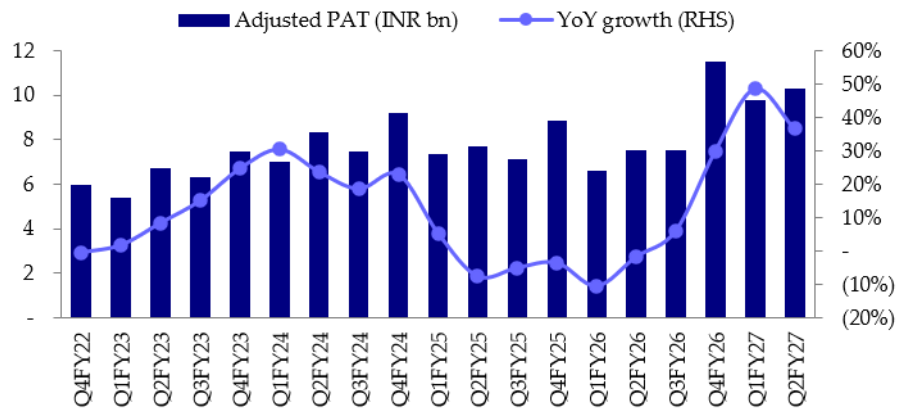
Source: Company, HSIE Research

Exhibit 3: Quarterly EBITDA and growth trend



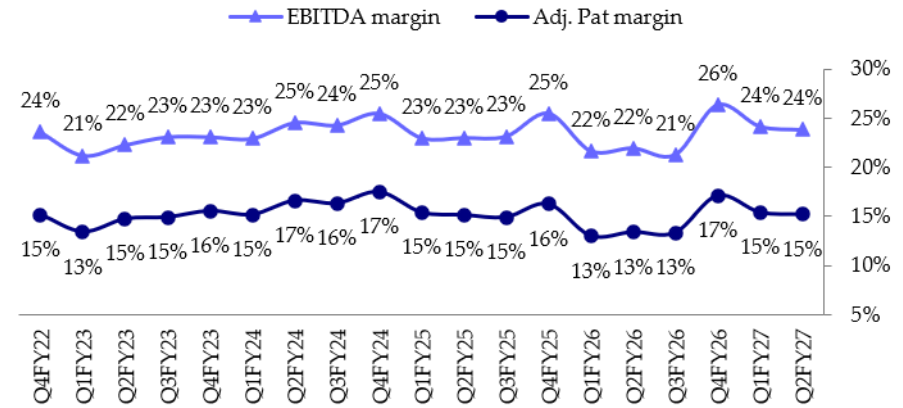
Source: Company, HSIE Research

Exhibit 4: Quarterly adjusted PAT and growth trend



Source: Company, HSIE Research

Exhibit 5: Quarterly EBITDA and PAT margin



Source: Company, HSIE Research

Exhibit 6: Quarterly growth trend and segment performance in FY27

	Domestic revenue growth	Estimated real internal growth	Milk Products & Nutrition	Beverages	Prepared dishes	Confectionary	Pet care
Q2FY27	20.4%	16%	Reported **broad-based** growth, driven by portfolio optimization and sustained A&P investments	Reported **strong volume growth** anchored by mass-market penetration & premiumization	Showed **strong growth** aided by deeper rural distribution	Delivered **DD volume growth,** driven by market share expansion in KITKAT	**Strong DD growth**
Q1FY27	25.4%	19%	Showed **strong UVG** across major category supported by portfolio refinement and advertisement mix.	Portfolio recorded **double-digit growth** supported by category penetration and brand building through premiumization.	Reported **double-digit growth** with market share gain driven by expansion in rural markets and wider urbanites reach.	Confectionery portfolio **grew** in **double digits,** driven by e-commerce penetration. KITKAT portfolio showed market share gain.	**Strong DD growth**

Source: Company, HSIE Research

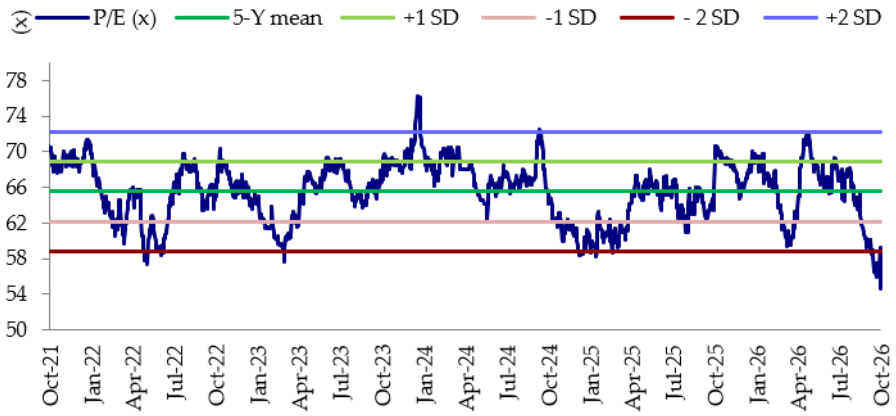
Exhibit 7: Quarterly growth trend and segment performance over FY24-FY25

	Domestic revenue growth	Estimated real internal growth	Milk Products & Nutrition	Beverages	Prepared dishes	Confectionary	Pet care
Q4FY26	23.1%	22.0%	Introduced new and larger pack sizes across to support consumer needs.	**High double-digit growth** (in FY26), driven by increased coffee penetration, premiumization, and category relevance	**Strong volume-driven growth** in FY26, fueled by urban demand and expanding rural reach	Confectionery saw **high DD growth** in FY26 both in value and volume. Increased distribution, enhanced freshness through the visi-cooler program and a slew of innovations aided.	**High DD growth**
Q3FY26	18.3%	16.5%	**Mid-single digit growth**. MILKMAID sustained momentum. EVERYDAY showed recovery in key geographies. Toddler range performed well	NESCAFÉ CLASSIC, NESCAFÉ SUNRISE, and NESCAFÉ GOLD continued to drive strong momentum. NESCAFÉ at 4.1mn HH.	**Strong DD value growth**. MAGGI Noodles delivered a double-digit volume growth. Masala-ae-Magic continued its strong run	Fastest segment growth. KITKAT witnessed high double-digit volume growth. MUNCH maintained its momentum with double-digit volume growth. MILKYBAR displayed strong performance	**Strong DD growth**
Q2FY26	10.8%	9.0%	**Mixed show**. MILKMAID posted strong growth. Toddler milks products delivered strong performance	**High DD growth** driven by affordable price point	**Strong DD value growth**, driven by volume. Targeted pricing strategies for MAGGI noodles portfolio increased market share in rural	Strong DD growth. Witnessed rural acceleration, premiumization and increase in in-home penetration	**High DD** growth
Q1FY26	5.5%	3.0%	**Mixed show**. MILKMAID delivered single-digit growth	**Largest growth driver with strong DD growth**. Successful cold coffee activations in the summer months	Segment **back to volume growth**. MAGGI portfolio registered strong growth	**High DD growth,** driven by rural demand, premiumization, and increased penetration. KITKAT emerged as the largest growth driver	Strong performance.
Q4FY25	4.2%	2.0%	MILKMAID delivered strong growth	**DD growth in Q4**. High DD growth in FY25 aided overall growth.	**Mid-single-digit** growth for FY25.	DD growth in Q4. HSD growth both in volume and value in FY25. India is second largest market for KitKat.	**High DD** growth for FY25.
Q3FY25	3.3%	2.0%	Growth in MILKMAID supported by festive season. Toddlers range delivered strong result.	**High DD growth** aided overall growth. NESCAFÉ at 3.7mn HH.	**High single-digit growth**	HSD growth with KitKat delivering DD growth. Munch posted good growth. KitKat drove premiumisation.	Highest growth since integration.
Q2FY25 (5 brand grew DD)	1.2%	-2.0%	MILKMAID reported high DD growth. Toddler range saw high DD growth.	**High DD growth**.	Focus on premiumization. Masala-Ae-Magic continued to grow at high DD.	KITKAT saw HSD growth.	**HSD growth**
Q1FY25 (5 brand grew DD)	4.2%	1.0%	Growth was driven by MILKMAID and toddler range	**Strong DD growth**.	Innovation contribution at 30%. Masala-Ae-Magic saw double-digit growth	KITKAT saw DD growth.	Positive feedback

Source: Company, HSIE Research

Valuations

Exhibit 8: Nestlé India's one-year forward P/E



Source: Bloomberg, Company, HSIE Research

Exhibit 9: Change in estimates

(INR mn)	New estimates			Old estimates			Changes to estimate		
	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Revenue	266,123	294,704	326,585	265,094	293,584	325,366	0%	0%	0%
growth (%)	15.0%	10.8%	10.8%	14.4%	10.8%	10.8%			
EBITDA	63,212	71,884	81,343	62,703	71,268	80,982	1%	1%	0%
growth (%)	19.1%	13.7%	13.2%	18.2%	13.7%	13.6%			
EBITDA margin (%)	23.8%	24.4%	24.9%	23.7%	24.3%	24.9%			
Adj. PAT	40,478	46,545	53,532	40,419	46,367	53,559	0%	0%	(0%)
growth (%)	20.0%	15.0%	15.0%	19.8%	14.7%	15.5%			
Adj. EPS (INR/Share)	21.0	24.1	27.8	21.0	24.0	27.8	0%	0%	(0%)

Source: HSIE Research

Exhibit 10: HSIE estimates vs consensus estimates

(INR mn)	HSIE estimates			Consensus estimates			HSIE vs Consensus estimates		
	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Revenue	266,123	294,704	326,585	268,358	299,908	334,109	(1%)	(2%)	(2%)
growth (%)	15.0%	10.8%	10.8%	15.9%	11.8%	11.4%			
EBITDA	63,212	71,884	81,343	64,526	73,015	81,856	(2%)	(2%)	(1%)
growth (%)	19.1%	13.7%	13.2%	21.6%	13.2%	12.1%			
EBITDA margin (%)	23.8%	24.4%	24.9%	24.0%	24.3%	24.5%			
Adj. PAT	40,478	46,545	53,532	41,549	47,859	54,577	(3%)	(3%)	(2%)
growth (%)	20.0%	15.0%	15.0%	23.1%	15.2%	14.0%			
Adj. EPS (INR/Share)	21.0	24.1	27.8	21.5	24.8	28.1	(2%)	(3%)	(1%)

Source: Bloomberg, HSIE Research

Exhibit 11: Key assumptions

	CY22^	FY24	FY25	FY26	FY27E	FY28E	FY29E
Income statement							
Net sales growth	14.7%	15.7%	3.4%	14.9%	15.0%	10.8%	10.8%
Volume growth	5.6%	2.7%	(0.5)%	10.7%	11.5%	7.7%	7.7%
Gross margin	54.1%	56.1%	56.7%	55.3%	56.4%	56.4%	56.4%
Royalty	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%
Advertisement	4.1%	5.3%	4.8%	5.3%	6.0%	6.2%	6.2%
EBITDA margin	22.2%	24.0%	23.6%	22.9%	23.8%	24.4%	24.9%
Tax rate	26.2%	25.5%	27.3%	26.2%	26.2%	26.2%	26.2%
Adj. PAT growth	5.1%	30.4%	(1.8)%	8.7%	20.0%	15.0%	15.0%
Adj. EPS (INR/share)	12.6	20.5	16.1	17.5	21.0	24.1	27.8
DPS (INR/share)	11.0	16.1	13.5	12.0	18.0	19.0	23.0
Dividend payout	88%	79%	84%	69%	86%	79%	83%
Balance Sheet							
ROE	106.7%	109.0%	83.2%	71.6%	72.3%	72.9%	73.0%
ROCE	145.6%	145.0%	102.7%	90.3%	98.7%	99.5%	98.9%
Inventory days	42	39	51	41	40	38	38
Receivable days	4	6	7	5	5	5	5
Payable days	42	42	43	47	41	41	41

Source: Company, HSIE Research

^Nestlé India changed its financial reporting period from CY to FY starting FY24.

Income Statement (Standalone)

YE March (INR mn)	CY21	CY22	FY24	FY25	FY26	FY27E	FY28E	FY29E
Net Revenues	**147,094**	**168,970**	**243,939**	**202,016**	**231,546**	**266,123**	**294,704**	**326,585**
Growth (%)		*14.9*	*15.5*	*3.5*	*14.6*	*14.9*	*10.7*	*10.8*
Material Expenses	63,189	77,499	107,086	87,498	103,413	115,922	128,385	142,287
Employee Expense	15,213	16,355	23,361	20,237	21,658	22,958	24,794	26,530
Other Expenses	33,016	37,534	55,002	46,543	53,414	64,032	69,641	76,424
EBITDA	**35,676**	**37,583**	**58,490**	**47,737**	**53,061**	**63,212**	**71,884**	**81,343**
EBITDA Growth (%)		*5.3*	*24.5*	*2.0*	*11.2*	*19.1*	*13.7*	*13.2*
EBITDA Margin (%)	**24.3**	**22.2**	**24.0**	**23.6**	**22.9**	**23.8**	**24.4**	**24.9**
Depreciation	3,902	4,030	5,378	5,399	6,992	7,724	8,094	8,492
EBIT	**31,774**	**33,553**	**53,113**	**42,338**	**46,068**	**55,488**	**63,789**	**72,851**
Other Income (Including EO Items)	1,201	1,010	1,480	589	404	939	654	1,057
Interest	2,012	1,546	1,455	1,360	1,583	1,600	1,400	1,400
PBT before extraordinary items	**30,963**	**33,017**	**53,137**	**41,567**	**44,889**	**54,827**	**63,043**	**72,508**
Extraordinary items	(2,126)	(457)	(249)	2,908	2,305	-	-	-
Total Tax	**7,389**	**8,655**	**13,560**	**11,330**	**11,748**	**14,349**	**16,499**	**18,976**
RPAT after MI	21,449	23,905	39,328	33,145	35,446	40,478	46,545	53,532
Adjusted PAT	**23,067**	**24,243**	**39,513**	**31,030**	**33,744**	**40,478**	**46,545**	**53,532**
APAT Growth (%)		*5.1*	*30.4*	*(1.8)*	*8.7*	*20.0*	*15.0*	*15.0*
EPS	**12.0**	**12.6**	**20.5**	**16.1**	**17.5**	**21.0**	**24.1**	**27.8**
EPS Growth (%)		*5.1*	*30.4*	*(1.8)*	*8.8*	*20.0*	*15.0*	*15.0*

Source: Company, HSIE Research

Balance Sheet (Standalone)

YE March (INR mn)	CY21	CY22	FY24	FY25	FY26	FY27E	FY28E	FY29E
SOURCES OF FUNDS								
Share Capital – Equity	964	964	964	964	1,928	1,928	1,928	1,928
Other Equity	19,881	23,628	32,445	40,207	51,164	56,933	66,840	76,021
Total Shareholders' Funds	**20,845**	**24,592**	**33,409**	**41,172**	**53,092**	**58,861**	**68,768**	**77,949**
Total Debt	341	300	311	7,533	244	292	292	300
TOTAL CAPITAL EMPLOYED	**21,185**	**24,892**	**33,720**	**48,705**	**53,337**	**59,153**	**69,060**	**78,249**
APPLICATION OF FUNDS								
Tangible Assets	29,940	30,437	34,603	54,736	62,904	60,008	57,211	54,297
CWIP	2,462	3,584	17,417	11,726	5,070	7,242	7,945	8,367
Other Non-Current Assets	7,107	5,602	4,239	7,056	7,056	7,056	7,056	7,056
Total Non-current Assets	**39,509**	**39,623**	**56,259**	**73,518**	**75,030**	**74,306**	**72,212**	**69,720**
Current Investments	633	2,174	400	-	-	10,000	20,000	40,000
Inventories	15,802	19,288	20,894	28,501	25,692	29,070	30,586	33,898
Debtors	1,653	1,919	3,005	3,632	3,295	3,634	4,024	4,460
Cash & Equivalents	7,354	9,456	7,789	957	13,409	8,177	13,217	4,979
Other Current Assets	16,890	17,073	16,886	16,632	16,146	17,280	18,361	19,522
Total Current Assets	**42,332**	**49,909**	**48,972**	**49,721**	**58,542**	**68,161**	**86,188**	**102,860**
Creditors	17,349	19,338	22,379	23,735	29,667	30,171	33,415	37,034
Other Current Liabilities & Provn0s	43,565	45,557	49,131	50,263	49,703	52,278	55,060	56,431
Total Current Liabilities	**60,914**	**64,895**	**71,510**	**73,998**	**79,370**	**82,449**	**88,475**	**93,464**
Net Current Assets	**(18,582)**	**(14,987)**	**(22,538)**	**(24,277)**	**(20,828)**	**(14,288)**	**(2,287)**	**9,395**
Misc Expenditures	258	256	-	(536)	(865)	(865)	(865)	(865)
TOTAL APPLICATION OF FUNDS	**21,185**	**24,892**	**33,720**	**48,705**	**53,337**	**59,153**	**69,060**	**78,249**

Source: Company, HSIE Research

Cash Flow (Standalone)

YE March (INR mn)	CY21	CY22	FY24	FY25	FY26	FY27E	FY28E	FY29E
Reported PBT	28,838	32,560	52,889	44,475	46,097	54,827	63,043	72,508
Depreciation	3,902	4,030	5,378	5,399	6,992	7,724	8,094	8,492
Working Capital Change	(1,522)	(302)	(2,489)	(7,112)	7,930	(2,508)	3,039	80
Tax Paid	(7,286)	(8,412)	(12,988)	(10,244)	(10,713)	(14,349)	(16,499)	(18,976)
Interest/Dividend received	(1,204)	(829)	(1,320)	(238)	141	661	746	343
Other items	26	327	277	(2,917)	29	-	-	-
Extraordinary items	(40)	-	-	-	-	-	-	-
OPERATING CASH FLOW (a)	**22,714**	**27,374**	**41,748**	**29,364**	**50,476**	**46,356**	**58,424**	**62,447**
Capex	(7,308)	(6,478)	(18,783)	(20,044)	(8,263)	(7,000)	(6,000)	(6,000)
Free Cash Flow (FCF)	*15,406*	*20,897*	*22,965*	*9,320*	*42,213*	*39,356*	*52,424*	*56,447*
Others	(5,564)	2,432	6,717	2,330	2,034	(9,061)	(9,346)	(18,943)
INVESTING CASH FLOW (b)	**(12,872)**	**(4,046)**	**(12,066)**	**(17,714)**	**(6,229)**	**(16,061)**	**(15,346)**	**(24,943)**
Debt Issuance/(Repaid)	(779)	-	(1,000)	6,495	(8,121)	47	-	9
Interest Expenses	(90)	(181)	(260)	(337)	(502)	(1,600)	(1,400)	(1,400)
FCFE	***14,716***	***21,078***	***22,225***	***16,152***	***34,594***	***41,003***	***53,824***	***57,856***
Dividend	(19,283)	(20,980)	(30,082)	(24,586)	(23,140)	(34,709)	(36,638)	(44,351)
Others	(34)	(67)	(8)	(53)	(32)	736	-	-
FINANCING CASH FLOW (c)	**(20,186)**	**(21,227)**	**(31,349)**	**(18,481)**	**(31,795)**	**(35,526)**	**(38,038)**	**(45,742)**
NET CASH FLOW (a+b+c)	**(10,345)**	**2,101**	**(1,667)**	**(6,832)**	**12,452**	**(5,232)**	**5,040**	**(8,238)**
Add: Beginning balance	**17,699**	**7,354**	**9,456**	**7,789**	**957**	**13,409**	**8,177**	**13,217**
Closing Cash & Equivalents	**7,354**	**9,456**	**7,789**	**957**	**13,409**	**8,177**	**13,217**	**4,979**

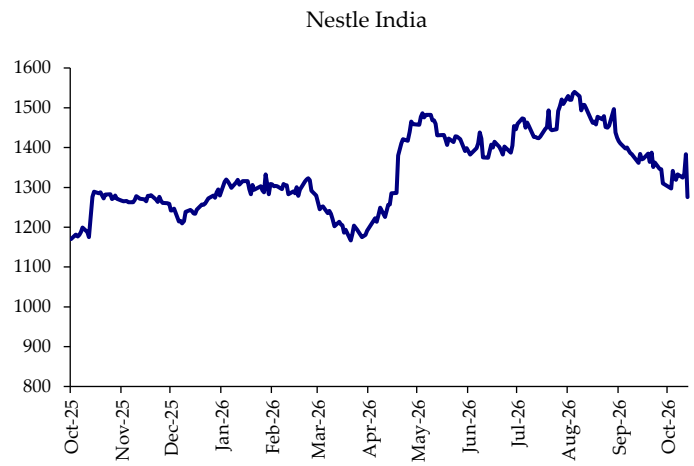
Source: Company, HSIE Research

Key Ratios

	CY21	CY22	FY24	FY25	FY26	FY27E	FY28E	FY29E
PROFITABILITY (%)								
GPM	57.0	54.1	56.1	56.7	55.3	56.4	56.4	56.4
EBITDA Margin (%)	24.3	22.2	24.0	23.6	22.9	23.8	24.4	24.9
EBIT Margin	21.6	19.9	21.8	21.0	19.9	20.9	21.6	22.3
PBT Margin	21.0	19.5	21.8	20.6	19.4	20.6	21.4	22.2
APAT Margin	15.7	14.3	16.2	15.4	14.6	15.2	15.8	16.4
RoE	110.7	106.7	109.0	83.2	71.6	72.3	72.9	73.0
RoIC (or Core RoCE)	183.3	187.1	163.1	84.1	77.6	101.3	122.6	155.6
RoCE	150.0	145.6	145.0	102.7	90.3	98.7	99.5	98.9
EFFICIENCY								
Tax Rate (%)	23.9	26.2	25.5	27.3	26.2	26.2	26.2	26.2
Fixed Asset Turnover (x)	2.9	3.1	3.9	2.3	2.2	2.5	2.6	2.7
Inventory (days)	39.21	41.66	39.08	51.50	40.50	39.87	37.88	37.89
Debtors (days)	4.10	4.15	5.62	6.56	5.19	4.98	4.98	4.98
Other Current Assets (days)	41.91	36.88	25.27	30.05	25.45	23.70	22.74	21.82
Payables (days)	43.05	41.77	41.86	42.88	46.77	41.38	41.39	41.39
Other Current Liab & Provns (days)	108.10	98.41	73.51	90.81	78.35	71.70	68.19	63.07
Cash Conversion Cycle (days)	**(65.93)**	**(57.49)**	**(45.41)**	**(45.59)**	**(53.97)**	**(44.53)**	**(43.97)**	**(39.77)**
Net D/E (x)	(0.3)	(0.4)	(0.2)	0.2	(0.2)	(0.1)	(0.2)	(0.1)
Interest Coverage (x)	15.8	21.7	36.5	31.1	29.1	34.7	45.6	52.0
PER SHARE DATA (INR)								
EPS	12.0	12.6	20.5	16.1	17.5	21.0	24.1	27.8
CEPS	14.0	14.7	23.3	18.9	21.1	25.0	28.3	32.2
Dividend	10.0	11.0	16.1	13.5	12.0	18.0	19.0	23.0
Book Value	10.8	12.8	17.3	21.4	27.5	30.5	35.7	40.4
VALUATION								
P/E (x)	106.7	101.5	62.3	79.3	72.9	60.8	52.9	46.0
P/BV (x)	118.0	100.0	73.6	59.8	46.3	41.8	35.8	31.6
EV/EBITDA (x)	68.7	65.2	41.9	51.7	46.1	38.6	33.8	29.7
EV/Revenues (x)	16.7	14.5	10.1	12.2	10.6	9.2	8.2	7.4
OCF/EV (%)	0.9	1.1	1.7	1.2	2.1	1.9	2.4	2.6
FCF/EV (%)	0.6	0.9	0.9	0.4	1.7	1.6	2.2	2.3
FCFE/Mkt Cap (%)	0.6	0.9	0.9	0.7	1.4	1.7	2.2	2.4
Dividend Yield (%)	0.8	0.9	1.3	1.1	0.9	1.4	1.5	1.8

Source: Company, HSIE Research

Price History



Rating Criteria

BUY: >+15% return potential
ADD: +5% to +15% return potential
REDUCE: -10% to +5% return potential
SELL: >10% Downside return potential

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