

## High growth foods, digital, PC to dominate growth...

**About the stock:** Marico is one of the major FMCG companies present in hair oil, edible oil, foods & personal care segment. Major brands include Parachute, Saffola, Nihar, Hair & Care, Set Wet, Livon & Beardo.

- Marico has an overall distribution network of more than 5.6 million outlets and direct reach of ~1 million outlets. Through its stockist network, it reaches 59000 villages
- With high gross margins of 45-50%, the company is able to spend 8-9% of its sales on advertisements to support new categories & products

**Q4FY23 Results:** Marico posted 3.7% sales growth; domestic volumes up 5%.

- Sales growth was led by 9.8% growth in the international business
- EBITDA was at ₹ 393 crore, up 13.6% YoY, margins at 17.5% (up 153 bps)
- Consequently, PAT was at ₹ 304.9 crore, growth of 18.7%

**What should investors do?** Marico's share price has given 60% return in the last five years (from ₹ 301 in May 2018 to ₹ 494 in May 2023).

- Foods, personal care (PC) & digital brands category contributes 15% to the growth. Further, international business (25% of the business) is growing at faster double-digit growth
- We upgrade Marico from HOLD to **BUY**

**Target Price & Valuation:** We value stock at ₹ 570 ascribing 45x PE on FY25 EPS.

### Key triggers for future price performance:

- Foods business portfolio has grown from ₹ 170 crore to ₹ 600 crore in the last three years. It is likely to grow to ₹ 850 crore by FY24. Marico is also investing in digital brands. Aims to achieve sales ARR of ₹ 400 crore by FY24
- Though market share gains in hair oils have slowed down in the last few years, stable pricing brought back volume growth in Parachute coconut oil. VAHO is likely to grow well with rural demand recovery
- With a significant decline in vegetable oil prices, Saffola volumes are likely to grow volumes in mid-single digit in the longer run. Next two quarters are likely to see sharp price decline impact on overall sales

**Alternate Stock Idea:** We also like Dabur in our FMCG coverage.

- Significant shift in consumption towards healthier, natural & Ayurveda based products & aggressively foray in many big categories would be driving growth for Dabur
- Value the business at 52x FY25 earnings. BUY with a TP of ₹ 675



### Particulars

Particulars (₹ crore)	Amount
Market Capitalization	63,690.7
Total Debt (FY23)	475.0
Cash and Investments (FY23)	1,334.0
EV	62,831.7
52 week H/L (₹)	554/ 462
Equity capital	129.0
Face value (₹)	1.0

### Shareholding pattern

(in %)	Jun-22	Sep-22	Dec-22	Mar-23
Promoter	59.5	59.5	59.5	59.4
FII	25.2	25.0	25.1	25.0
DII	8.7	10.3	10.3	10.0
Others	6.7	5.2	5.2	5.6

### Price Chart



### Recent event & key risks

- Marico maintained 43% market share in oats category. Foods portfolio has grown at 18% in Q4
- **Key Risk:** (i) Below normal monsoon could impact rural demand conditions (ii) High competition in existing hair oil categories

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### Key Financial Summary

Key Financials	FY21	FY22	FY23	5 Year CAGR		FY24E	FY25E	CAGR (FY23-25E)
				(FY18 to FY23)				
Net Sales	8048.0	9512.0	9764.0	9.0		10499.3	11267.9	7.4%
EBITDA	1591.0	1681.0	1810.0	9.7		2055.2	2242.3	11.3%
EBITDA Margin %	19.8	17.7	18.5			19.6	19.9	
Net Profit	1199.0	1254.9	1321.7	9.8		1492.9	1623.8	10.8%
Adjusted Net Profit	1199.0	1254.9	1321.7	9.8		1492.9	1623.8	10.8%
EPS (₹)	9.3	9.7	10.2			11.6	12.6	
P/E	53.1	50.8	48.2			42.7	39.2	
RoNW %	37.0	37.5	34.8			37.3	38.6	
RoCE (%)	40.3	41.2	38.1			41.2	43.3	

Source: Company, ICICI Direct Research

## Key takeaways of recent quarter

### Q4FY23 Results: High growing foods, digital brands, personal care & international business now contributing 35% to sales

- Marico reported revenue growth of 3.7% to ₹ 2240 crore led by 9.8% growth in international business & 1.8% growth in domestic business. With softening of major commodity prices (copra, edible oil, rice bran oil & crude), the company has passed on this benefit in terms of price cuts or increase in grammages. Domestic volume growth was 5% while constant currency international sales growth was 16% during the quarter
- Parachute rigid pack grew 3% led by 9% volume growth and 6% dip in prices given the company has passed on the benefit of benign copra prices in terms of price cut or higher grammages. Parachute rigid saw 70 bps gain in volume market share. On a four-year CAGR basis, parachute volume has grown at 6% on a conversion from loose to branded
- With softening of vegetable oil prices, Saffola edible oil witnessed double digit decline in sales. Edible oil volumes also saw mid-single digit de-growth during the quarter mainly on the back of high base of last year. On a four-year CAGR basis, Saffola volume grew in high single digits
- Value added hair oils (VAHO) saw 13% sales growth led by volume growth after subdued growth of last one year, which was impacted by rural slowdown. With a rural demand recovery and competition taking price hikes in mass brands, the category witnessed positive growth in middle of quarter specifically in March
- With a reduction of price sensitivity in commoditised product portfolio, strong traction in premium brands (Marico participation is higher) & recovery in rural demand conditions, VAHO has witnessed strong growth. The company has gained value market share by 60 bps during the quarter
- Foods business witnessed ~18% growth in Q4FY23. This business ended the year with close to ₹ 600 crore sales. Saffola Oats maintained its leadership position with value market share of 43%. The company started witnessing strong traction in multiple new products like 'Munchez', 'Mayonnaise' & 'Saffola Fittify' in healthier food category
- The company expects to clock ₹ 850 crore sales in FY24 on the back of improvement in urban demand conditions, new product innovation & extension of food distribution channel. The company expects to maintain growth momentum in the foods business with tailwind of healthier food consumption
- Personal care business saw 40% sales growth in FY23, mainly on the low base of a Covid-impacted year. This category clocked ₹ 350 crore of sales. The company expects to grow 20%, going forward. Given, it is a high margin business, it would aid overall margins of the company. Digital first brands are expected to reach average run rate (ARR) of ₹ 400 crore
- International business constant currency growth of 16% was led by 9% growth in Bangladesh, 16% growth in Vietnam, 21% growth in South Africa & 37% growth in the MENA region
- Bangladesh inflation has moderated and the company has managed a devaluation in currency. The company has a strong growth playbook in Bangladesh, which can be replicated in other geographies
- Gross margin expanded 294 bps given all major commodity prices are down in the last six months for the company. Employee & overhead spend increased 120 bps & 27 bps, respectively. The company maintained high ad-spend at 9.4% of sales

### Marico Ltd - ESG Disclosure Score\*

ESG Disclosure Score			
Score	FY20	FY21	FY22
Environmental	31.9	31.9	30.2
Social	41.0	45.2	45.2
Governance	91.1	91.1	91.1
<b>Overall ESG Score</b>	<b>54.7</b>	<b>56.1</b>	<b>55.5</b>

Source: Bloomberg, ICICI Direct Research, \*Score ranges

- Operating profit witnessed growth of 13.6% to ₹ 393 crore with operating margin expansion of 153 bps. Other income doubled from ₹ 24 crore to ₹ 68 crore on account of one-time gains from sale of land in one of the international markets. Led by higher operating profit & other income, net profit grew 18.7% to ₹ 304.9 crore
- The company expects to maintain volume growth trend with revenue growth to inch up in H2FY24 with price cut in base start reflecting. High growing foods, personal care & digital first brands contribution to India business has grown from 11% in F22 to 15% in FY23. The company expects the contribution of these brands to increase to 20% in FY24
- International business is consistently growing at high double-digit growth from last two years with strong growth in Bangladesh and replication of similar growth strategy in Vietnam
- Gross margins have improved 230 bps in FY23. The company expects further 200-250 bps margin improvement with benign commodity prices across (copra, vegetable oils, liquid paraffin, HDPE). The scaling up of foods & digital brands would lead to higher profitability from these categories
- Marico has passed on some benefits of gross margins in terms of price cuts. However, the company has increased advertisement spends in the last one year. It would continue to increase spends to 9% (as percentage to sales) in FY24. The company expects operating margin expansion of 100 bps in FY24
- Modern trade (MT) & e-commerce contributed 29% to sales. The high growth in the channel is mainly due to new food launches that is largely concentrated in MT & e-commerce. Saffola saliency is higher in MT. The company is increasing food portfolio to general trade, which would aid growth in that channel
- In the foods business, Masala Oats was distributed to 2 lakh outlets. In new launches, Honey & Soya would be expanded to general trade first. The company is slowly expanding in foods distribution mainly due to supply chain challenges and a lower shelf life
- The FMCG market has started witnessing volume recovery with softening of commodity prices. Home & personal care category saw flat volumes in Q4 compared to volume decline in the last three quarters. Similarly, foods category has also grown at 4.3% compared to 1-2% growth in the last three quarters

**Exhibit 1: Peer Comparison**

Sector / Company	GMP	TP	M Cap	Sales growth (%)				EBITDA Margins (%)				P/E(x)				RoE (%)				RoCE (%)			
	(₹)	(₹) Rating		(₹ Cr)	FY22	FY23E	FY24E	FY25E	FY22	FY23E	FY24E	FY25E	FY22	FY23E	FY24E	FY25E	FY22	FY23E	FY24E	FY25E	FY22	FY23E	FY24E
Hindustan Unilever (HINLEV)	2501	2780 Hold	579879	11.3	15.5	8.0	10.1	24.8	23.4	23.8	24.2	66.6	59.0	55.1	49.0	18.1	19.9	20.6	22.5	20.2	22.0	23.7	25.9
Dabur India (DABIND)	505	675 Buy	93745	13.9	6.2	10.4	10.9	20.7	18.8	19.7	20.3	51.2	52.6	44.6	39.1	20.8	19.0	20.4	21.3	24.9	21.3	23.0	24.4
Marico (MARLIM)	494	570 Buy	63691	18.2	2.6	7.5	7.3	17.7	18.5	19.6	19.9	50.7	48.2	42.7	39.2	37.5	34.8	37.3	38.6	41.2	38.1	41.2	43.3

Source: Company, ICICI Direct Research

With the softening of major raw material prices, the company has been able to recoup volume growth in Parachute. Further, foods, digital first brands, personal care & international business continues to grow at the faster pace. We believe saturated hair oil & edible oil categories, which are larger part of sales for the company currently, would continue to grow at mid-single digit volume growth in the longer run. Foods, digital first brands, personal care category would be driving the growth for the company, going forward. The company has been able to maintain its operating margins in the range of 16-20% in the last five years despite volatility in major commodity prices. We believe the company would continue to maintain margins in a similar range with current benign commodity price scenario helping the company to clock margins at the higher end of this range. We believe the company would continue to grow sales in single digit until high growth category significantly increases its contribution. We are positive on growth as well as margin expansion possibility in the medium term. We value the stock at 45x FY25 earnings with a target price of ₹ 570/share (earlier ₹555) and a **BUY** recommendation.

Exhibit 2: Variance Analysis

	Q4FY23	Q3FY23E	Q4FY22	YoY (%)	Q3FY23	QoQ (%)	Comments
Net Sales	2,240.0	2,197.6	2,161.0	3.7	2,470.0	-9.3	Net sales grew 3.7% led by 5% volume growth
Raw Material Expenses	1,178.0	1,187.0	1,200.0	-1.8	1,360.0	-13.4	Gross margins expanded 294 bps with softening of copra, vegetable oils & crude based RMs
Employee Expenses	171.0	159.6	139.0	23.0	160.0	6.9	Employee spends increased by 120 bps (% to sales)
SG&A Expenses	210.0	213.8	204.0	2.9	220.0	-4.5	
Other operating Expenses	288.0	254.2	272.0	5.9	274.0	5.1	
EBITDA	393.0	383.0	346.0	13.6	456.0	-13.8	
EBITDA Margin (%)	17.5	17.4	16.0	153 bps	18.5	-92 bps	Higher gross margins led to expansion of operating margins
Depreciation	43.0	39.3	37.0	16.2	39.0	10.3	
Interest	17.0	13.9	11.0	54.5	14.0	21.4	
Other Income	68.0	31.8	24.0	183.3	40.0	70.0	
Exceptional items	0.0	0.0	0.0	NA	0.0	NA	
Minority Interest	0.0	0.0	0.0	NA	0.0	NA	
PBT	400.9	361.5	321.9	24.5	442.9	-9.5	
Tax Outgo	96.0	83.9	65.0	47.7	110.0	-12.7	Income tax rate increased with expiry of benefits
PAT	304.9	277.6	256.9	18.7	332.9	-8.4	

Source: Company, ICICI Direct Research

Exhibit 3: Change in estimates

₹ Crore)	FY24E			FY25E			Comments
	Old	New	% change	Old	New	% change	
Revenues	10,507.6	10,499.3	-0.1	11277.0	11,267.9	-0.1	We maintain our sales estimates
EBITDA	1,964.6	2,055.2	4.6	2190.2	2,242.3	2.4	Given sharp correction across commodities, we raise our gross as well as operating margins estimates
EBITDA Margin (%)	18.7	19.6	88 bps	19.4	19.9	48 bps	
PAT	1,411.0	1,492.9	5.8	1573.5	1,623.8	3.2	
EPS (₹)	10.9	11.6	5.8	12.2	12.6	3.2	

Source: ICICI Direct Research

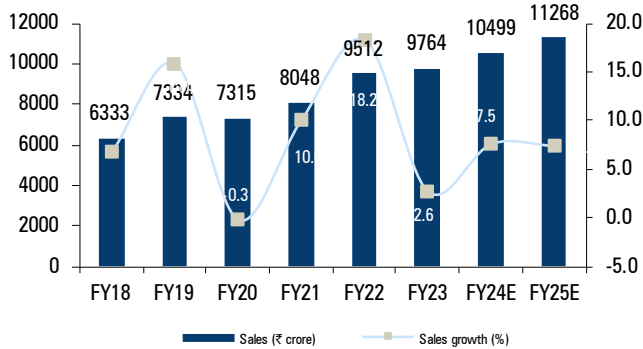
Exhibit 4: Assumptions

	Current					Earlier		Comments
	FY21	FY22	FY23	FY24E	FY25E	FY24E	FY25E	
Std. Sales (₹ crore)	6,337.0	7,500.0	7,478.0	8,007.5	8,551.9	8,007.5	8,551.9	We largely maintain our estimates
Subs. Sales (₹ crore)	1,711.0	2,012.0	2,286.0	2,491.7	2,716.0	2,500.1	2,725.1	

Source: ICICI Direct Research

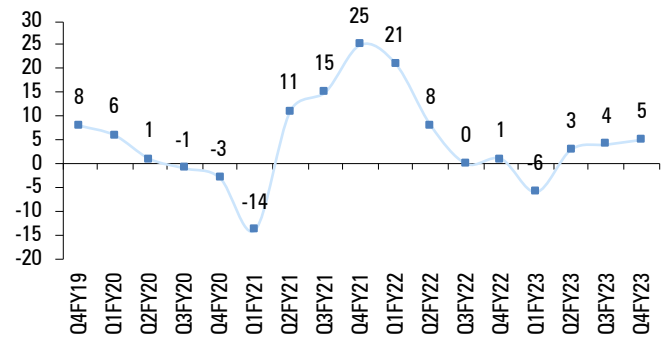
## Key Metrics

Exhibit 5: Revenue to grow at 7.4% CAGR over FY23-25E



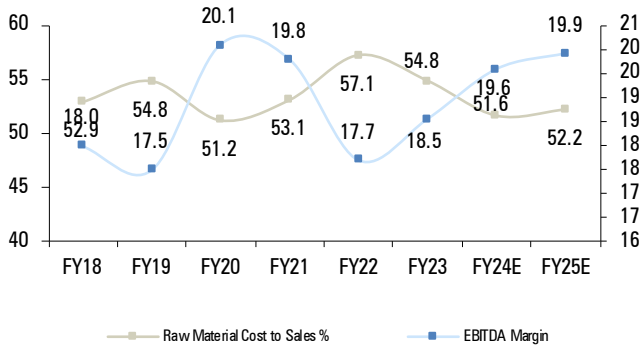
Source: ICICI Direct Research, Company

Exhibit 6: Domestic volume trend YoY (%)



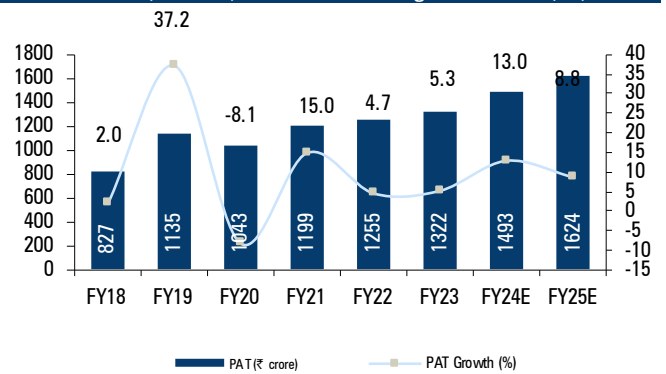
Source: ICICI Direct Research, Company

Exhibit 7: EBITDA margin and raw material trend



Source: Company, ICICI Direct Research

Exhibit 8: PAT (₹ crore) – LHS and PAT growth YoY (%) - RHS



Source: Company, ICICI Direct Research

Exhibit 9: Valuation

	Sales (₹ cr)	Growth (%)	EPS (₹)	Growth (%)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
FY22	9512.0	18.2	9.7	4.7	50.8	37.4	37.5	41.2
FY23	9764.0	2.6	10.2	5.3	48.2	34.6	34.8	38.1
FY24E	10499.3	7.5	11.6	13.0	42.7	30.5	37.3	41.2
FY25E	11267.9	7.3	12.6	8.8	39.2	28.0	38.6	43.3

Source: Company, ICICI Direct Research

## Financial Summary

Exhibit 10: Profit and loss statement				
	₹ crore			
(Year-end March)	FY22	FY23	FY24E	FY25E
<b>Total Operating Income</b>	<b>9512.0</b>	<b>9764.0</b>	<b>10499.3</b>	<b>11267.9</b>
Growth (%)	18.2	2.6	7.5	7.3
Raw Material Expenses	5,436.0	5,351.0	5,420.2	5,881.8
Employee Expenses	586.0	653.0	724.4	754.9
Marketing Expenses	796.0	842.0	997.4	1,036.6
Excise Duty	0.0	0.0	0.0	0.0
Other expenses	1,013.0	1,108.0	1,301.9	1,352.1
Total Operating Expenditure	7,831.0	7,954.0	8,444.0	9,025.6
<b>EBITDA</b>	<b>1681.0</b>	<b>1810.0</b>	<b>2055.2</b>	<b>2242.3</b>
Growth (%)	5.7	7.7	13.5	9.1
Depreciation	139.0	155.0	178.5	186.2
Interest	39.0	56.0	57.8	59.5
Other Income	98.0	144.0	158.4	174.2
Share of profit/(loss) of associates	0.0	0.0	0.0	0.0
Total Tax	346.0	421.0	484.5	547.1
<b>PAT</b>	<b>1255.0</b>	<b>1322.0</b>	<b>1492.9</b>	<b>1623.8</b>
Growth (%)	5.6	5.3	12.9	8.8
<b>Adjusted PAT</b>	<b>1254.9</b>	<b>1321.7</b>	<b>1492.9</b>	<b>1623.8</b>
Adjusted EPS (₹)	9.7	10.2	11.6	12.6

Source: Company, ICICI Direct Research

Exhibit 11: Cash flow statement				
	₹ crore			
(Year-end March)	FY22	FY23	FY24E	FY25E
Profit before Tax	1,601.0	1,743.0	1,977.4	2,170.9
Add: Depreciation	139.0	155.0	178.5	186.2
(Inc)/dec in Current Assets	-542.0	-146.0	-232.4	-438.1
Inc/(dec) in CL and Provisions	200.0	87.0	160.1	84.1
Others	-382.0	-420.0	-484.5	-547.1
<b>CF from operating activities</b>	<b>1,016.0</b>	<b>1,419.0</b>	<b>1,599.0</b>	<b>1,456.0</b>
(Inc)/dec in Investments	615.0	-406.0	-52.0	-52.0
(Inc)/dec in Fixed Assets	-187.0	-523.0	-31.5	56.2
Others	0.0	0.0	-148.5	-156.2
<b>CF from investing activities</b>	<b>428.0</b>	<b>-929.0</b>	<b>-232.0</b>	<b>-152.0</b>
Issue/(Buy back) of Equity	41.0	9.0	0.0	0.0
Inc/(dec) in loan funds	-133.0	-115.0	-270.0	-2.0
Dividend paid & dividend tax	-1,195.0	-582.0	-1,290.0	-1,419.0
<b>CF from financing activities</b>	<b>-1,290.0</b>	<b>-560.0</b>	<b>-1,560.0</b>	<b>-1,421.0</b>
Net Cash flow	156.0	-133.0	-193.0	-117.0
Opening Cash	109.0	276.0	207.0	14.0
Cash in Bank	303.0	549.0	549.0	549.0
Closing Cash	579.0	756.0	563.0	446.0

Source: Company, ICICI Direct Research

Exhibit 12: Balance Sheet				
	₹ crore			
(Year-end March)	FY22	FY23	FY24E	FY25E
<b>Liabilities</b>				
Share Capital	129.0	129.0	129.0	129.0
Reserve and Surplus	3,219.0	3,670.0	3,872.9	4,077.7
Total Shareholders funds	3,348.0	3,799.0	4,001.9	4,206.7
Long Term Borrowings	0.0	268.0	0.0	0.0
Provisions & other LTL	91.0	91.0	91.0	91.0
Minority Interest / Others	57.0	157.0	157.0	157.0
Deferred Tax Liability	137	202	200	198
<b>Total Liabilities</b>	<b>3633.0</b>	<b>4517.0</b>	<b>4449.9</b>	<b>4652.7</b>
<b>Assets</b>				
Gross Block	1,542.0	1,721.0	1,921.0	2,041.0
Less: Acc Depreciation	742.0	897.0	1,075.5	1,261.7
Net Block	800.0	824.0	845.5	779.3
Capital WIP	39.0	67.0	77.0	87.0
Goodwill on Consolidation	654.0	862.0	832.0	802.0
Non Current Investments	208.0	554.0	579.0	604.0
Other Non CA	580.0	819.0	846.0	873.0
Current Investments	641.0	578.0	778.0	978.0
Inventory	1,412.0	1,225.0	1,265.7	1,420.1
Debtors	652.0	1,015.0	1,006.8	1,080.5
Cash & Bank	579.0	756.0	563.0	446.0
Other CA	221.0	246.0	246.0	256.0
Total Current Assets	3,505.0	3,820.0	3,859.5	4,180.6
Creditors	1,344.0	1,452.0	1,582.1	1,636.2
Short Term Borrowings	345.0	473.0	488.0	503.0
Other Current Liabilities	464.0	504.0	519.0	534.0
Total Current Liabilities	2,153.0	2,429.0	2,589.1	2,673.2
Net Current Assets	1,352.0	1,391.0	1,270.4	1,507.4
Miscl. Exps. not w/o	0.0	0.0	0.0	0.0
<b>Application of Funds</b>	<b>3633.0</b>	<b>4517.0</b>	<b>4449.9</b>	<b>4652.7</b>

Source: Company, ICICI Direct Research

Exhibit 13: Key ratios				
(Year-end March)	FY22	FY23	FY24E	FY25E
<b>Per share data (₹)</b>				
EPS (Adjusted)	9.7	10.2	11.6	12.6
Cash EPS	10.8	11.4	13.0	14.0
BV	25.9	29.4	31.0	32.6
DPS	9.2	4.5	10.0	11.0
Cash Per Share	4.5	5.9	4.4	3.5
<b>Operating Ratios (%)</b>				
EBITDA Margin	17.7	18.5	19.6	19.9
PBT / Total Operating income	16.8	17.8	18.8	19.3
PAT Margin	13.2	13.5	14.2	14.4
Inventory dbcs	54	46	44	46
Debtor dbcs	25	38	35	35
Creditor dbcs	52	54	55	53
<b>Return Ratios (%)</b>				
RoE	37.5	34.8	37.3	38.6
RoCE	41.2	38.1	41.2	43.3
RoIC	55.5	49.4	54.4	54.8
<b>Valuation Ratios (x)</b>				
P/E	50.8	48.2	42.7	39.2
EV / EBITDA	37.4	34.6	30.5	28.0
EV / Net Sales	6.6	6.4	6.0	5.6
Market Cap / Sales	6.7	6.5	6.1	5.7
Price to Book Value	19.0	16.8	15.9	15.1
<b>Solvency Ratios</b>				
Debt/EBITDA	0.2	0.3	0.2	0.2
Debt / Equity	0.1	0.1	0.1	0.1
Current Ratio	1.6	1.6	1.6	1.7
Quick Ratio	0.8	0.9	1.0	1.1

Source: Company, ICICI Direct Research

Exhibit 14: ICICI Direct coverage universe (FMCG)

	CMP	TP	M Cap	EPS (₹)				P/E (x)				Price/Sales (x)				RoCE (%)			RoE (%)					
	(₹)	(₹) Rating		(₹ Cr)	FY22	FY23E	FY24E	FY25E	FY22	FY23E	FY24E	FY25E	FY22	FY23E	FY24E	FY25E	FY22	FY23E	FY24E	FY25E	FY22	FY23E	FY24E	FY25E
Colgate (COLPAL)	1,567	1,440	Hold	39,473	39.6	37.7	40.3	41.7	39.5	41.5	38.9	37.6	7.8	7.6	7.1	6.7	77.8	81.9	92.8	99.9	62.2	62.4	70.9	76.5
Dabur India (DABIND)	505	675	Buy	93,745	9.9	9.6	11.3	12.9	51.2	52.6	44.6	39.1	8.6	8.1	7.4	6.6	24.9	21.3	23.0	24.4	20.8	19.0	20.4	21.3
Hindustan Unilever (HINLEV)	2,501	2,780	Hold	5,79,879	37.5	42.4	45.4	51.1	66.6	59.0	55.1	49.0	11.5	10.0	9.2	8.4	20.2	22.0	23.7	25.9	18.1	19.9	20.6	22.5
ITC Limited (ITC)	429	450	Buy	4,67,841	12.4	14.7	16.0	17.4	34.6	29.2	26.7	24.7	7.9	6.8	6.2	5.7	31.4	36.0	37.5	39.1	24.5	27.7	28.7	29.9
Jyothy Lab (JYOLAB)	198	215	Hold	7,485	4.3	6.7	7.8	8.5	46.6	29.7	25.4	23.3	3.5	3.1	2.8	2.6	18.7	27.5	31.4	32.6	16.6	24.2	27.0	27.9
Marico (MARLIM)	494	570	Buy	63,691	9.7	10.2	11.6	12.6	50.7	48.2	42.7	39.2	6.7	6.5	6.1	5.7	41.2	38.1	41.2	43.3	37.5	34.8	37.3	38.6
Nestle (NESIND)	22,020	23,000	Hold	1,99,195	222.4	247.9	299.9	352.7	99.0	88.8	73.4	62.4	13.6	11.9	10.5	9.5	57.3	54.4	57.0	61.6	104.1	87.0	84.5	86.5
Patanjali Foods (RUCSOY)	929	1,750	Buy	50,721	27.3	30.9	43.5	52.7	34.1	30.0	21.4	17.6	2.1	1.7	1.5	1.4	13.2	15.6	17.3	19.0	13.1	11.3	14.2	15.3
Tata Consumer Products (TAT)	776	980	Buy	68,740	11.0	14.2	16.4	19.0	70.5	54.6	47.5	40.9	5.5	5.0	4.5	4.1	8.4	8.7	10.5	11.6	7.0	7.4	9.0	10.1
Varun Beverage (VARBEV)	1,453	1,470	Hold	92,041	17.2	23.9	27.5	32.3	84.3	60.9	52.8	44.9	10.4	7.0	6.1	5.4	17.1	23.8	28.7	32.2	18.3	30.4	27.8	26.9
VST Industries (VSTIND)	3,262	3,300	Hold	5,059	207.4	211.8	210.0	245.5	15.7	15.4	15.5	13.3	4.3	3.9	3.7	3.4	39.0	35.7	39.0	50.9	29.8	27.7	29.3	38.2
Zydus Wellness (ZYDWEL)	1,539	2,000	Buy	8,979	48.5	55.0	67.4	75.6	31.7	28.0	22.8	20.4	4.5	4.0	3.6	3.2	6.1	6.8	8.1	9.2	6.4	7.1	8.3	9.0

Source: Bloomberg, ICICI Direct Research

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Reduce: -15% to -5%;

Sell: <-15%



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