

# Tata Consumer Products (TATGLO)

CMP: ₹ 746

Target: ₹ 980 (31%)

Target Period: 12 months

April 26, 2023

BUY

## Volume growth, margin expansion on anvil...

**About the stock:** Tata Consumer Products (TCPL) is one of the major FMCG companies present in tea, coffee & other beverages in India, UK, US, Canada and some other geographies. In India, it also has salt, pulses, spices & other foods products. Its subsidiary NourishCo is present in packaged water & other beverages. The company is in JV with Starbucks, which has 333 stores in India

- The company has 2000+ distribution directly reaching to 1.5 million outlets in India. Its total distribution reach is 3.8 million outlets

**Q4FY23 Results:** TCPL reported 14% revenue growth led by the India business

- Constant currency sales growth of 12% was driven by 6% volume growth
- EBITDA was at ₹ 511.7 crore, up 15.2% YoY, with margins at 14.1%
- Consequent adjusted PAT was at ₹ 289.5 crore (up 21.1% YoY)

**What should investors do?** TCPL's share price has given moved up 155% in the last five years (from ₹ 292 in April 2018 to ₹ 744 in April 2023)

- TCPL to drive volumes through new product portfolio, which includes NourishCo, Souful, Sampaan & Smartfoodz. Premiumisation trend in tea & salt to aid margins
- We maintain our **BUY** rating on the stock

**Target Price and Valuation:** We value the stock at ₹ 980 on ascribing 52x FY25 earnings multiple.

**Key triggers for future price performance:**

- New product portfolio in RTE, RTC, water, nutritional foods & other categories with large opportunity size to drive volumes. The growth brands (Tata Sampaan, NorurishCO, Tata Soufull and Tata Smartfoodz) contribute 15% of India branded sales growing at 53% (in FY23)
- Strong innovation & premiumisation strategy in salt and tea is expected to drive margins in established brands. Further, softening of commodity prices along with requisite price hikes to also aid margins
- Starbucks crossed the sales of ₹ 1000 crore with total 333 store in 41 cities. With the aggressive store addition & maturity of existing stores, operating profit to grow at a faster pace in the next three to five years

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

- Shift in consumption towards healthier, natural & Ayurveda based products & aggressively foray in many big categories would drive growth
- Value the business at 52x FY25 earnings. BUY with a TP of ₹ 700

### TATA CONSUMER PRODUCTS

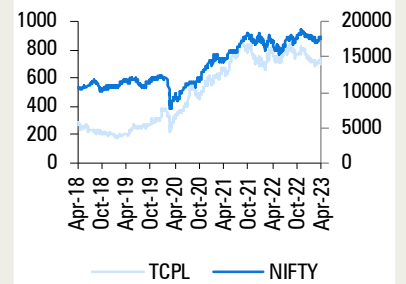
#### Particulars

Particulars (₹ crore)	Amount
Market Capitalization	68,740.4
Total Debt (FY23)	1,705.7
Cash and Investments (FY23)	3,551.7
EV	66,894.5
52 week H/L (₹)	861 / 661
Equity capital	92.2
Face value (₹)	1.0

#### Shareholding pattern

(in %)	Jun-22	Sep-22	Dec-22	Mar-23
Promoter	34.7	34.7	34.4	34.4
FII	25.3	25.3	25.6	25.0
DII	14.0	14.0	15.1	15.9
Others	26.0	26.0	24.9	24.7

#### Price Chart



#### Recent event & key risks

- TCPL gained value market share by 76 bps in salt whereas lost share by 113 bps in Tea
- Key Risk:** (i) Volatility in commodity prices to pressurise margins (ii) High competition in new product portfolio as multiple players eyeing same opportunity

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### Key Financial Summary

Key Financials	FY21	FY22	FY23E	5 Year CAGR (FY17 - FY23)	FY24E	FY25E	CAGR (FY23-25E)
Net Sales	11602.0	12425.4	13783.2	15.1%	15192.2	16807.4	10.4%
EBITDA	1543.8	1718.8	1856.5	17.2%	2259.5	2562.5	17.5%
EBITDA Margin %	13.3	13.8	13.5		14.9	15.2	
Adjusted Net Profit	932.6	1015.2	1320.1	18.9%	1519.0	1764.5	15.6%
EPS (₹)	10.1	11.0	14.2	10.0%	16.4	19.0	15.6%
P/E	73.9	67.7	52.5		45.6	39.3	
RoNW %	6.4	7.0	7.4		9.0	10.1	
RoCE (%)	8.0	8.4	8.7		10.5	11.6	

Source: Company, ICICI Direct Research

## Key takeaways of recent quarter

### Q4FY23 Results: Growth portfolio growing more than 50%; ease in commodities & premiumisation to propel margins

- TCPL witnessed sales growth of 14% to ₹ 3618.7 crore led by 26% growth in India food business, 8% growth in India beverage & 10.5% growth in international beverage business. Constant currency growth of 12% has been drive by ~6% volume growth and 6% realisation growth
- India beverage business saw 8% sales growth led by 3% volume growth. The strong growth in the segment was led by 79% sales growth in NourishCo. India packaged beverage (tea & coffee) grew 1% with 3% volume growth. The company lost value market share by 113 bps & volume market share by 50 bps in packaged beverage segment in FY23
- Tea market share loss has been largely due to rural stress, inflation & weaker performance in eastern UP. The loss in market share is largely to regional brands. The company has a cluster-based approach to strengthen share in weaker markets. Early signs of volume growth in tea business are visible
- India foods business growth of 26% was led by 8% volume growth. Salt sales grew 24% largely led by prices. Value added product contribution in salt product portfolio is 5% in FY23 compared to less than 1% in FY20. Gross margin normative range for the salt business is 32-37%
- Tata Sampann sales grew 35%. The company gained market share in salt business 76 bps in FY23. The company introduced 'Tata Sampann Makhana' in healthier food category. It also launched 'Tata Sampann Indore Style Poha' leveraging popular localised flavours
- The strong growth in international business was mainly aided by stake consolidation of Joekels & Bangladesh business (acquired stake in JV). On a like to like basis, the growth was 1%. US coffee business saw 6% contributed by 26% pricing & 20% volume decline. The steep volume decline was mainly due to grammage reduction in eight o'clock (EOC) to pass on increase in coffee prices
- UK business saw 8% revenue growth in Q4. The company implemented 15% price hike in February led to sequential margin recovery. Canada business witnessed growth of 5% in Q4. It introduced 'Live teas' specialty tea range of products & Tata world food portfolio
- Tata Coffee business witnessed 13% sales growth led by 14% volume growth. Coffee extraction business saw 20% sales growth whereas plantation business sales grew 11%. Though plantation business saw strong pricing growth, extraction business is driven by volumes
- Tata Starbucks saw 48% sales growth with 22 store addition during the quarter. On an annualise basis, the company reached sales of ₹ 1087 crore, clocking growth of 71%. The company added 71 new stores and entered 15 new cities in FY23. The business-maintained EBIT positive for the year
- Gross margin contracted 280 bps mainly due to higher tea prices in the international business. Employee & overhead spends (percentage of sales) were down 54 bps & 241 bps, respectively. This resulted in operating profit growth of 15.2% to ₹ 511.7 crore with operating margin uptick of 15 bps to 14.1%. Net profit grew 21.1% to ₹ 289.6 crore driven by strong growth in operating profit as well as in other income
- Total distribution reach for the company is 3.8 million outlets, which would be increased to 4.0 million outlets by September-2023. The company has increased its direct reach 3x to 1.5 million outlets in the last three years. It would further strengthen direct reach in 50,000 plus towns

Tata Consumer - ESG Disclosure Score*	ESG	Disclosure	Score*
ESG Disclosure Score			
Score	FY20	FY21	FY22
Environmental	34.8	47.2	48.0
Social	26.6	28.1	35.8
Governance	78.6	78.6	84.9
<b>Overall ESG Score</b>	<b>46.7</b>	<b>51.3</b>	<b>56.3</b>

*Source: Bloomberg, ICICI Direct Research, \*Score ranges from 0 - 100 with a higher score indicating higher ESG disclosures*

- The company is splitting salesman route to improve bandwidth in 10 lakh population town. Currently, one salesman is catering to the entire product portfolio. Beverage & Souful product would be served by one salesman & Salt, Sampaan & Smartfoodz would be served by another
- Ecommerce channel has grown at 32% and is contributing 9% to sales (ex-NourishCo). Modern trade channel sales has grown at 21% and is now contributing 14% to sales (ex-NourishCo) new product development (NPD) contribution at e-commerce channel is 10%
- The company generate 3.4% of its sales from new products & total new launches in FY23 has been 34 compared to 19 product launches in FY22. The growth brands (Tata Sampann, NorurishCO, Tata Soufull and Tata Smartfoodz) contribute 15% of India branded sales growing at 53% (in FY23)
- NourishCo business has grown at 3.5x in the last three years and touched sales of ₹ 621 crore in FY23. The innovation contribution is 13%. The company has increased its manufacturing capacity by 2x in the same period. NourishCo distribution reach is close to 6 lakh stores (up 70%)
- Tata Soufull witnessed 100% growth in FY23. The growth can be largely attributed to enhanced distribution reach after the acquisition. The company is driving accessibility with smaller ₹ 10 price packs. It launched masala oats in FY23, which has reached double digit market share in specific e-commerce platforms
- Indian tea prices have been benign currently. However, rainfall in 2023 would determine tea procurement prices, going forward. Arabica coffee prices remained stable on expectation of higher Brazilian crop whereas Robusta coffee prices have been down 10% YoY
- The company expects mid-single digit volume growth in matured tea and salt business with faster growth in new product portfolio

**Exhibit 1: Peer Comparison**

Sector / Company	CMP (₹)	TP (₹)	Rating	M Cap (₹ Cr)	Sales growth (%)				EBITDA Margins (%)				P/E(x)				RoE (%)				RoCE (%)			
					FY22	FY23E	FY24E	FY25E	FY22	FY23E	FY24E	FY25E	FY22	FY23E	FY24E	FY25E	FY22	FY23E	FY24E	FY25E	FY22	FY23E	FY24E	FY25E
ITC Limited (ITC)	412	450	Buy	467841	23.1	17.0	8.0	9.5	32.0	33.7	34.5	34.0	33.3	28.1	25.7	23.7	24.5	27.7	28.7	29.9	31.4	36.0	37.5	39.1
Hindustan Unilever (HINLEV)	2511	2800	Hold	604971	11.3	16.3	9.5	9.1	24.8	23.5	24.0	24.1	66.9	59.7	53.8	48.9	18.1	20.3	22.4	24.5	20.2	22.9	25.6	28.0
Nestle (NESIND)	21026	23000	Hold	199195	10.2	14.9	12.8	10.5	24.5	22.1	23.0	24.7	94.5	84.8	70.1	59.6	104.1	87.0	84.5	86.5	57.3	54.4	57.0	61.6
Tata Consumer Products (TAT)	746	980	Buy	68740	7.1	10.9	10.2	10.6	13.8	13.5	14.9	15.2	67.7	52.5	45.6	39.3	7.0	7.4	9.0	10.1	8.4	8.7	10.5	11.6

Source: Company, ICICI Direct Research

Tata Consumer is focusing on driving growth from new launches, newly forayed categories in India food & beverages business. Further, it is also propelling premiumisation in salt & tea businesses. The company has launched 34 new products in FY23 and newer products now accounting for 3.4% of sales. Its growth business (new product & category including sampan & Souful) has been growing at 53% (FY23) and accounts for 15% of the business. Further, it is also increasing product penetration by increasing direct distribution reach (3x to 1.5 million outlets in last three years). Simultaneously, it is also growing its sales from e-commerce channel. We believe the India business (food & beverage) would continue to dominate with higher growth from newer segments. We also believe the company has the potential to increase margins by driving premiumisation in mature categories. Also, high growth in Tata Starbucks would be the growth driven in longer run. We remain positive on long term growth prospects. We maintain our Buy recommendation with the revised target of ₹ 980 / share (earlier: ₹ 950 /share)

**Exhibit 2: Variance Analysis**

Net Sales	3,618.7	3,497.1	3,175.4	14.0	3,474.6	4.1	TCPL saw 14% revenue growth led by strong 26% growth in India Foods business & 8% growth in India beverage business
Raw Material Expenses	2,105.4	1,980.0	1,758.7	19.7	2,032.0	3.6	Gross margins contracted on account of higher tea prices in international business & delay in price hikes
Employee Expenses	286.1	292.0	268.0	6.7	283.0	1.1	
SG&A Expenses	0.0	222.1	225.6	-100.0	228.4	-100.0	
Other operating Expenses	715.6	494.7	478.8	49.5	477.4	49.9	The company cut down overhead & advertisement spends to safeguard operating margins
EBITDA	511.7	481.0	444.3	15.2	453.7	12.8	Operating profit grew by 15.2% on account of strong sales growth & cut in overhead spends
EBITDA Margin (%)	14.1	13.8	14.0	15 bps	13.1	108 bps	
Depreciation	82.9	75.8	72.1	14.9	75.2	10.2	
Interest	27.7	11.6	16.4	68.6	23.7	16.8	
Other Income	55.3	40.5	47.4	16.7	48.9	13.0	
Exceptional Expense/(Income)	6.4	0.0	18.7	NA	-78.6	NA	
PBT	450.1	434.2	384.6	17.0	482.3	-6.7	
Tax Outgo	104.5	117.7	95.3	9.6	112.9	-7.4	
PAT before MI	345.6	316.5	289.2	19.5	369.5	-6.5	
Profit from Associates	-56.0	-40.1	-50.2	11.6	-5.0	NC	
PAT	289.5	276.3	239.1	21.1	364.4	-20.6	Net profit grew by 21.1% on account of strong growth in operating profit & lower income tax provisioning
Adj PAT	294.4	276.3	253.1	16.3	304.3	-3.23	

Source: Company, ICICI Direct Research

**Exhibit 3: Change in estimates**

(₹ Crore)	FY24E			FY25E			Comments
	Old	New	% Change	Old	New	% change	
Sales	15093.72	15,192.2	0.7	16,807.4	16,807.4	0.0	We slightly change our revenue estimate upwards
EBITDA	2,189.7	2,259.5	3.2	2,562.5	2,562.5	0.0	
EBITDA Margin (%)	14.5	14.9	37 bps	15.2	15.2	0 bps	Given most of the commodity prices have peaked out, we revise our margin estimates upward
PAT	1,468.6	1,519.0	3.4	1,764.5	1,764.5	0.0	
EPS (₹)	15.9	16.4	2.6	19.0	19.0	0.0	

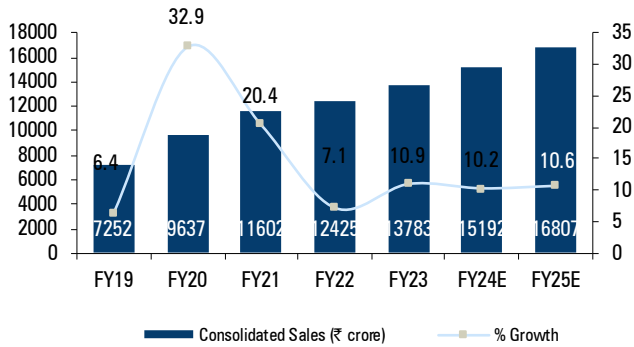
Source: ICICI Direct Research

**Exhibit 4: Assumptions**

Segmental Revenues (Gross)	Current						Earlier		Comment
	FY20	FY21	FY22	FY23E	FY24E	FY25E	FY24E	FY25E	
Tea / India Beverage	3,376.9	4,600.7	5,001.0	5,051.3	5,556.4	6,000.9	5,401.1	5,833.2	We slightly change our revenue estimates for India beverage & India foods segment
Coffee / International Bevergae	3,226.0	3,469.3	3,335.0	3,665.7	3,775.7	4,002.2	3,782.6	4,009.5	
TCL Consumer / India Foods		2,441.7	2,913.0	3,665.6	4,215.4	4,974.2	4,296.7	5,070.1	

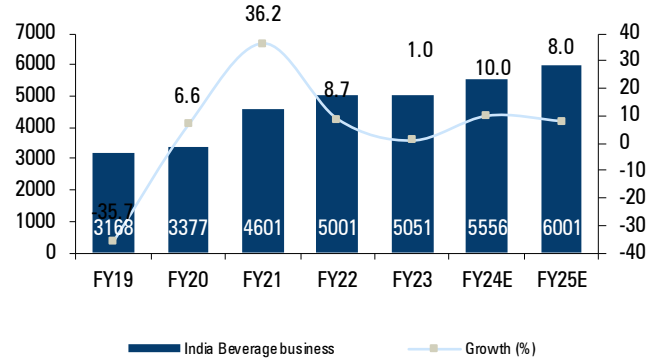
Source: ICICI Direct Research

Exhibit 5: Consolidated revenue to grow at 10.4% in FY23-25E



Source: ICICI Direct Research, Company

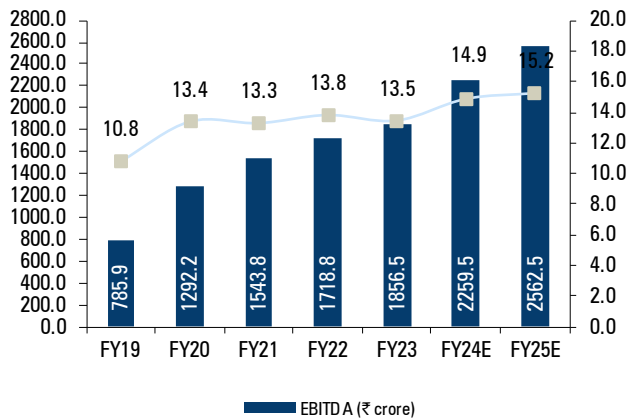
Exhibit 6: India beverage business sales trend



Source: ICICI Direct Research, Company

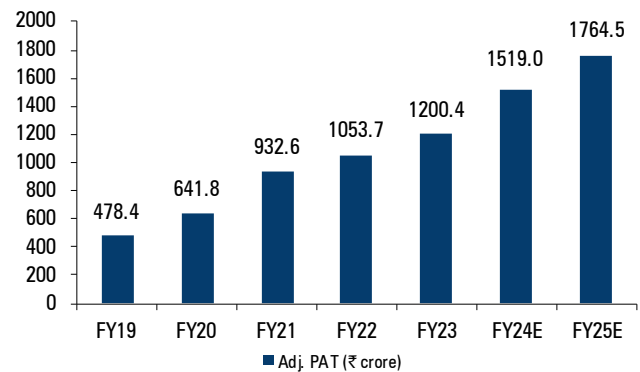
\*FY19 onwards segment reporting has changed from tea to India Beverage

Exhibit 7: Operating margins trend (%)



Source: Company, ICICI Direct Research

Exhibit 8: Adjusted PAT growth trends



Source: Company, ICICI Direct Research

Exhibit 9: Valuation

	Sales (₹ cr)	Growth (%)	EPS (₹)	Growth (%)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
FY22	12425.4	7.1	11.0	9.1	67.7	39.7	7.0	8.4
FY23	13783.2	10.9	14.2	29.0	52.5	36.9	7.4	8.7
FY24E	15192.2	10.2	16.4	15.1	45.6	30.1	9.0	10.5
FY25E	16807.4	10.6	19.0	16.2	39.3	26.5	10.1	11.6

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>12425.4</b>	<b>13783.2</b>	<b>15192.2</b>	<b>16807.4</b>
Growth (%)	7.1	10.9	10.2	10.6
Raw Material Expenses	7,084.0	8,005.7	8,448.2	9,288.2
Employee Expenses	1,048.0	1,120.4	1,266.0	1,399.3
Marketing Expenses	841.0	656.9	1,098.3	1,230.7
Other expenses	1,733.6	2,143.7	2,120.2	2,326.6
Total Operating Expenditure	10,706.6	11,926.7	12,932.7	14,244.9
<b>EBITDA</b>	<b>1718.8</b>	<b>1856.5</b>	<b>2259.5</b>	<b>2562.5</b>
Growth (%)	11.3	8.0	21.7	13.4
Depreciation	278.0	304.1	300.8	304.6
Interest	72.8	87.2	75.8	71.4
Other Income	140.1	168.9	177.3	186.2
PBT	1,508.1	1,634.1	2,060.2	2,372.7
Exceptional items	-52.1	159.5	0.0	0.0
Total Tax	377.0	447.0	525.4	605.0
<b>PAT</b>	<b>1015.2</b>	<b>1320.1</b>	<b>1519.0</b>	<b>1764.5</b>
Adjusted PAT	1053.7	1200.4	1519.0	1764.5
Growth (%)	9.1	30.0	15.1	16.2
EPS (₹)	11.4	13.0	16.5	19.1

Source: Company, ICICI Direct Research

Exhibit 11: Cash flow statement				
	₹ crore			
(Year-end March)	FY22	FY23	FY24E	FY25E
Profit/Loss after Tax	1220.7	1404.9	1519.0	1764.5
Add: Depreciation	278.0	304.1	300.8	304.6
Add: Interest	72.8	87.2	75.8	71.4
(Inc)/dec in Current Assets	-149.7	-404.0	-2,111.3	-877.1
Inc/(dec) in Current Liabilities	152.0	378.6	-1,468.9	261.1
<b>CF from operating activities</b>	<b>1515.8</b>	<b>1461.3</b>	<b>-1684.7</b>	<b>1524.5</b>
(Inc)/dec in Investments	-86.0	-100.0	-13.2	-13.6
(Inc)/dec in Fixed Assets	-246.1	-139.9	-2,617.2	-100.0
Others	-989.8	-587.9	5,585.2	51.7
<b>CF from investing activities</b>	<b>-1321.8</b>	<b>-827.8</b>	<b>2954.8</b>	<b>-61.9</b>
Issue/(Buy back) of Equity	0.0	0.0	0.0	0.0
Inc/(dec) in loan funds	-945.7	-59.3	-40.0	-40.0
Dividend paid & dividend tax	-62.5	-573.4	-934.2	-1,216.1
Inc/(dec) in Sec. premium	0.0	0.0	0.0	0.0
Others	13.4	-81.7	-75.8	-71.4
<b>CF from financing activities</b>	<b>-994.8</b>	<b>-714.4</b>	<b>-1050.0</b>	<b>-1327.5</b>
Net Cash flow	-800.8	-80.9	220.2	135.1
Opening Cash	1,773.2	977.1	890.4	1,110.6
<b>Closing Cash</b>	<b>1498.0</b>	<b>1539.6</b>	<b>1759.7</b>	<b>1894.9</b>

Source: Company, ICICI Direct Research

Exhibit 12: Balance Sheet				
	₹ crore			
(Year-end March)	FY22E	FY23	FY24E	FY25E
<b>Liabilities</b>				
Equity Capital	92.2	92.9	92.9	92.9
Reserve and Surplus	15,049.8	16,183.8	16,768.7	17,317.2
Total Shareholders funds	15,141.9	16,276.7	16,861.6	17,410.1
Long Term Borrowings	685.9	729.0	689.0	649.0
Long Term Provisions	175.6	167.5	486.2	537.8
Other Non-current Liabilities	1941.5	1713.2	1713.2	1713.2
<b>Total Liabilities</b>	<b>17945.0</b>	<b>18886.5</b>	<b>19750.0</b>	<b>20310.2</b>
<b>Assets</b>				
Gross Block	7,715.5	7,815.5	7,915.5	8,015.5
Less: Acc Depreciation	3,005.5	3,309.6	3,610.4	3,915.0
Net Block	1,876.1	1,988.7	4,305.1	4,100.5
Capital WIP	247.0	294.9	294.9	294.9
Goodwill	10508.5	10866.5	5600.0	5600.0
Non Current Investments	863.7	948.3	961.6	975.2
LT Loans & Advances/Others	486.6	404.1	404.1	404.1
<b>Current Assets</b>				
Inventory	2,266.5	2,701.7	3,746.0	4,144.3
Debtors	835.2	798.3	1,664.9	1,841.9
Cash	1,498.0	1,539.6	1,759.7	1,894.9
Loans & Advances	1,959.9	2,541.8	3,136.5	3,402.8
Other Current Assets	184.3	192.9	333.0	368.4
<b>Current Liabilities</b>				
Creditors	1915.9	2348.2	1040.6	1151.2
Provisions	73.2	77.4	249.7	276.3
Short Term Borrowings	768.7	976.7	666.0	736.8
Other CL	414.8	522.4	499.5	552.6
Net Current Assets	3,963.1	4,383.9	8,184.4	8,935.5
<b>Total Assets</b>	<b>17945.0</b>	<b>18886.5</b>	<b>19750.0</b>	<b>20310.2</b>

Source: Company, ICICI Direct Research

Exhibit 13: Key ratios				
(Year-end March)	FY22	FY23	FY24E	FY25E
<b>Per share data (₹)</b>				
EPS	11.0	14.2	16.4	19.0
Cash EPS	14.0	17.5	19.6	22.3
BV	164.3	175.2	181.5	187.4
DPS	5.5	6.1	8.5	11.0
Cash Per Share	16.3	16.6	18.9	20.4
<b>Operating Ratios (%)</b>				
EBITDA Margin	13.8	13.5	14.9	15.2
PBT / Net Sales	12.1	11.9	13.6	14.1
PAT Margin	8.2	9.6	10.0	10.5
Inventory days	66.6	71.5	90.0	90.0
Debtor days	24.5	21.1	40.0	40.0
Creditor days	56.3	62.2	25.0	25.0
<b>Return Ratios (%)</b>				
RoE	7.0	7.4	9.0	10.1
RoCE	8.4	8.7	10.5	11.6
RoIC	18.0	18.7	16.5	18.2
<b>Valuation Ratios (x)</b>				
P/E	67.7	52.5	45.6	39.3
EV / EBITDA	39.7	36.9	30.1	26.5
EV / Net Sales	5.5	5.0	4.5	4.0
Market Cap / Sales	5.5	5.0	4.5	4.1
Price to Book Value	4.5	4.3	4.1	4.0
<b>Solvency Ratios</b>				
Debt/EBITDA	0.8	0.9	0.6	0.5
Debt / Equity	0.1	0.1	0.1	0.1
Current Ratio	2.2	2.1	5.0	4.9
Quick Ratio	1.2	1.2	2.9	2.8

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				
Colgate (COLPAL)	1,574	1,440	Hold	39,473	39.6	37.7	40.3	41.7	39.7	41.7	39.1	37.8	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)	534	700	Buy	97,880	9.9	10.3	12.0	13.4	54.1	52.0	44.3	39.7	9.0	8.5	7.7	6.9	24.9	23.9	26.1	27.2	20.8	20.5	22.2	22.7
Hindustan Unilever (HINLEV)	2,511	2,800	Hold	6,04,971	37.5	42.0	46.7	51.3	66.9	59.7	53.8	48.9	12.0	10.3	9.4	8.6	20.2	22.9	25.6	28.0	18.1	20.3	22.4	24.5
ITC Limited (ITC)	412	450	Buy	4,67,841	12.4	14.7	16.0	17.4	33.3	28.1	25.7	23.7	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)	194	215	Hold	7,485	4.3	6.7	7.8	8.5	45.6	29.1	24.9	22.8	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)	497	555	Hold	63,710	9.7	10.3	11.1	12.4	51.1	48.2	44.7	40.1	6.7	6.5	6.0	5.6	41.2	44.0	46.2	49.9	37.5	38.5	40.6	43.8
Nestle (NESIND)	21,026	23,000	Hold	1,99,195	222.4	247.9	299.9	352.7	94.5	84.8	70.1	59.6	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)	917	1,750	Buy	50,721	27.3	30.9	43.5	52.7	33.6	29.6	21.1	17.4	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)	746	980	Buy	68,740	11.0	14.2	16.4	19.0	67.7	52.5	45.6	39.3	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)	1,449	1,340	Hold	79,300	17.2	23.9	26.1	30.0	84.1	60.7	55.6	48.3	9.0	6.0	5.4	4.9	17.1	23.8	27.2	30.6	18.3	30.4	26.6	25.5
VST Industries (VSTIND)	3,285	3,300	Hold	4,807	207.4	214.1	229.4	263.9	15.8	15.3	14.3	12.4	4.1	3.6	3.4	3.2	39.2	41.8	49.1	49.4	30.0	31.9	36.9	37.1
Zydus Wellness (ZYDWEL)	1,538	2,000	Buy	8,979	48.5	55.0	67.4	75.6	31.7	28.0	22.8	20.3	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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