

## GSK Consumer (GLACON)

### Healthy volumes, splendid margins boost PAT

- Strong volume growth of 13.7% led to 14.4% increase in Q2FY19 sales to ₹ 1,272 crore. Export revenues swelled by 74% on account of addition of Malaysia in the export market. The domestic business grew 10.8% on account of domestic volume growth of 8.7%
- Auxiliary income increased 20% YoY on the back of an improvement in OTC products and oral care portfolio performance. Volume market share of Horlicks was 49.5% with value market share of 43.3%. On the other hand, volume market share of Boost was 13.9% with value market share of 10.9%
- Benefitted by low input costs, especially milk prices, EBITDA margins surged 451 bps to 27.8% primarily driven by a 510 bps increase in gross margins, partly offset by higher employee expenses & other overheads during the quarter. With higher operating profit and other income, PAT for the quarter increased 43.2% YoY to ₹ 275.5 crore

#### Healthy volume growth; sachets gaining momentum

The company witnessed a strong volume led quarter as domestic business volume of 8.7% led to 10.8% domestic business growth. Overall volume growth of 13.7% resulted in healthy growth of 14.4% in topline. The company's strategy on lower priced sachets (₹ 5 vs. ₹ 6 earlier) is helping it to increase rural consumption (~33% of sales) and drive further penetration. Sachets contribute to 9% of sales vs. 8% last year. To enhance affordability, price growth has been modest at ~3-4% over the last year, given low inflation. We expect the company to report revenue CAGR of 10% (including auxiliary income) in FY18-20E to ₹ 5,606.8 crore. We estimate auxiliary income growth of 29.8% in FY18-20E as new products from Novartis would aid growth, going forward.

#### Horlicks strategic review to be main focus point in near term

GSKCH enjoys a dominant position in the MFD drink category as its flagship brand *Horlicks* volume market share was at 49.5% (value market share was at 43.3%). On the other hand, volume market share of Boost was 13.9% with value market share of 10.9%. Malt-based drinks category contributes ~94% to GCHL's revenues. Led by continued innovations and encouraging rural pick-up demand, another quarter of robust volume growth of 13.7% was witnessed in Q2FY19 (12.8% volume growth in Q1FY19) after two years of lull. However, the focus over the next few months would be on GSK Consumer's strategic review of its Indian consumer nutrition business including Horlicks & Boost brands. Announcement of the strategic review by the parent company would be to consider selling its nutrition business and stake in GSKCH either fully or partially and is expected to close by December 2018.

#### New launches in strategic locations to aid growth; maintain BUY

GSK continued to focus on new product innovations whereby it launched Protein+ in ~₹ 800 crore adult protein drinks market last year. This was followed by the recent launch of *Horlicks Growth+* in South India/West Bengal, another premium product for young kids. GSKCH has a clear strategy of launching specialised high-science products, which is boosting category growth. GSK is increasing its presence in North & West regions where consumption of malt based beverages by kids is believed to be much more. In addition to this, GSKCH entered RTD beverages (under *Boost* brand priced at ₹ 30) with a pilot run in Tamil Nadu, which has had good consumer acceptance (1% share in flavoured drinks in Tamil Nadu in two months). We reiterate our **BUY** recommendation on the stock with a revised target price of ₹ 8,000/share, 36x FY20E earnings.

Rating matrix		
Rating	:	Buy
Target	:	₹8000
Target Period	:	12-15 months
Potential Upside	:	13%

What's changed?	
Target	Changed from ₹7700 to ₹8000
EPS FY19E	Changed from ₹192.5 to ₹199.5
EPS FY20E	Changed from ₹212.8 to ₹223.8
Rating	Unchanged

Quarterly performance					
	Q2FY19	Q2FY18	YoY (%)	Q1FY19	QoQ (%)
Net Sales	1272.0	1111.7	14.4	1107.1	14.9
EBITDA	353.7	258.9	36.6	230.3	53.6
EBITDA (%)	27.8	23.3	451 bps	20.8	700 bps
PAT	275.5	192.4	43.2	200.4	37.4

Key financials				
₹ Crore	FY17	FY18	FY19E	FY20E
Sales	4,425.9	4,377.1	4,885.8	5,339.0
EBITDA	838.3	883.4	1,078.6	1,195.9
Net Profit	656.7	700.1	838.8	941.2
EPS (₹)	156.1	166.5	199.5	223.8

Valuation summary				
	FY17	FY18	FY19E	FY20E
P/E	45.3	42.4	35.4	31.6
Target P/E	51.2	48.1	40.1	35.8
Div. Yield	1.0	1.3	1.5	1.6
Mcap/Sales	6.7	6.8	6.1	5.6
RoNW (%)	21.0	20.1	21.8	22.0
RoCE (%)	30.8	29.8	31.9	32.3

Stock data	
Particular	Amount
Market Capitalization (₹ Crore)	29,716.4
Total Debt (FY18) (₹ Crore)	0.0
Cash and Investments (FY18) (₹ Crore)	3,585.2
EV (₹ Crore)	26,131.2
52 week H/L	7840 / 5267
Equity capital	₹ 42.1 crore
Face value	₹ 10
FII Holding (%)	4.0
DII Holding (%)	8.3

Price performance				
	1M	3M	6M	12M
GSK Consumer	6.2	15.0	8.6	22.7
Nestle	8.3	18.2	54.1	61.1
Colgate	0.4	4.7	4.3	7.8
HUL	4.4	17.3	31.6	47.8

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### Variance analysis

	Q2FY19	Q2FY19E	Q2FY18	YoY (%)	Q1FY19	QoQ (%)	Comments
Total Operating Income	1,272.0	1,212.4	1,111.7	14.4	1,107.1	14.9	Net revenue increased by 14.4% largely led by domestic volume growth of 13.7%
Raw Material Expenses	385.9	388.0	393.9	-2.0	336.9	14.6	Gross margins surged by 510 bps to 69.7% supported by lower input prices, especially milk prices
Employee Expenses	155.1	145.5	127.2	22.0	168.0	-7.7	
SG&A Expenses	132.6	151.6	135.9	-2.5	143.9	-7.8	
Other operating Expenses	244.7	283.0	195.7	25.0	228.1	7.3	
EBITDA	353.7	244.4	258.9	36.6	230.3	53.6	Operating margins improved by 451 bps to 27.8% on the back of elevation in gross margins, which was partially off-set by higher employee expenses and other overheads during the quarter
EBITDA Margin (%)	27.8	20.2	23.3	451 bps	20.8	700 bps	
Depreciation	15.1	15.0	17.7	-14.8	14.7	2.5	
Interest	0.2	0.4	0.6	-65.5	0.2	5.6	
Other Income	89.0	79.5	57.4	55.0	96.5	-7.7	Other income increased by 55% on account of ~20% increase in auxiliary income from ₹51 crore to ₹61 crore and one-off item to the tune of ₹ 15 crore
PBT	427.4	308.5	298.1	43.4	311.9	37.1	
Exceptional Items	0.0	0.0	0.0	NA	0.0	NA	
Tax Outgo	151.9	101.8	105.7	43.8	111.4	36.4	
PAT	275.5	206.7	192.4	43.2	200.4	37.4	Led by higher operating profit and other income, net profit increased by 43.2%

### Key Metrics (%)

Horlicks market share	43.3	43.9	44.2	Horlicks value market share has declined by 90 bps during the quarter
Boost market share	10.9	11.4	11.2	Boost value market share has declined by ~40 bps during the quarter

Source: Company, ICICI Direct Research

### Change in estimates

₹ Crore	FY19E			FY20E			Comments
	Old	New	% change	Old	New	% change	
Sales	4,840.6	4,885.8	0.9	5,289.6	5,339.0	0.9	Changed our earnings estimates considering benign commodity costs
EBITDA	1,025.2	1,078.6	5.2	1,137.1	1,195.9	5.2	
EBITDA Margin (%)	21.2	22.1	90 bps	21.5	22.4	90 bps	
PAT	809.8	838.8	3.6	894.9	941.2	5.2	
EPS (₹)	192.5	199.5	3.6	212.8	223.8	5.2	

Source: Company, ICICI Direct Research

### Assumptions

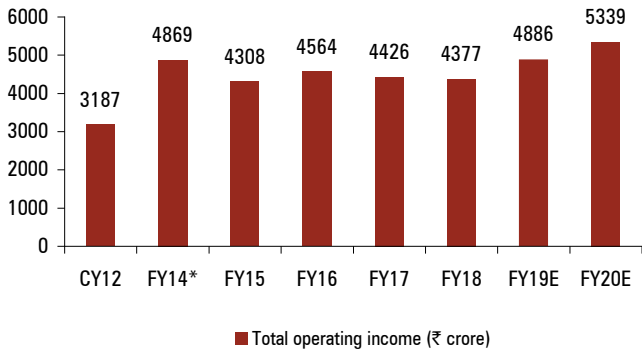
	Current		FY19E		FY20E		Comments
	FY17	FY18	FY19E	FY20E	Earlier FY19E	FY20E	
Malt based foods (₹ crore)	4,019.8	3,994.1	4,401.9	4,760.6	4,359.1	4,714.4	Increased revenue and material costs expectations on robust volume growth performance and benign input costs in last two quarters
Malt based food vol. gr (%)	-9.0	3.5	7.0	5.0	7.0	5.0	
RM/Sales (%)	29.3	32.7	36.4	36.1	37.1	36.8	
Marketing exp/Sales (%)	12.2	11.0	12.5	12.5	12.5	12.5	
Auxiliary income (₹ crore)	194.0	201.8	267.8	339.9	265.4	336.8	

Source: Company, ICICI Direct Research

## Conference call highlights

- Net revenues grew 14.4% YoY to ₹ 1,272 crore led by 13.7% YoY volume growth. Domestic business (*Horlicks* & *Boost* portfolio) registered sales growth of 10.8 YoY on the back of 8.7% YoY volume growth. This growth is broad based and across channels. *Horlicks* grew in double digits
- The export business registered a staggering growth of 74% during the quarter on account of addition of Malaysia in export market, which clocked ₹ 14 crore of sales. Overall export business in Q2FY19 was at ₹ 94 crore
- Region-wise sales breakup: South - 42%, East - 39%, North - 6%, West - 5% and Exports - 8%
- *Horlicks* maintained its leadership position with volume market share of 49.5% and value market share of 43.3%. Volume market share for *Boost* was 13.9% with value market share of 10.9%
- *Horlicks Protein+* market share has increased to 4.6%. It is now available in 150,000 outlets
- Business auxiliary income increased ~20% from ₹ 51 crore to ₹ 61 crore on the back of improved OTC products & oral care portfolio performance. *Sensodyne* is reported to have grown at a higher pace than the industry during the quarter
- Sachets grew 20%+ in Q2FY19 on account of high double digit volume growth, led by visible distribution and strong on-air support. Sachets contributed 9% to overall revenue in Q2FY19 vs. 8% in Q2FY18
- Foods business, which contributes less than 5% of sales, witnessed a decline of 15% during the quarter on account of discontinuance of Marie biscuits in the portfolio
- Gross margins expanded 510 bps to 69.7% supported by lower input prices, especially milk prices
- After witnessing deflationary cost trends (deflation of 5% in raw material cost in Q2FY19) over the past year, the management expects low single digit inflation in milk in the short to medium term
- Operating margins surged 451 bps to 27.8% driven by strong gross margins expansion, partly offset by increasing spend on employee and overhead expenses
- GSKCH has a distribution network of 1.8 million outlets, out of which direct distribution is 0.8 million. Total number of distributors was at 900
- During the quarter, rural segment has grown at 1.4-1.5x of urban segment
- The management has clarified that the ongoing strategic review of the parent's shareholding will have no impact on normal business operations. Clarity on the strategic review would come only at the end of the year

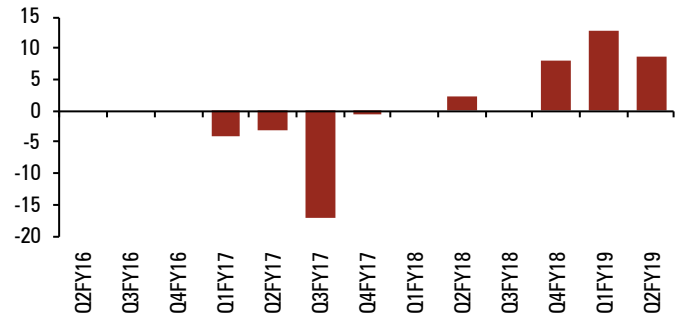
**Exhibit 1: Sales to grow at CAGR of 10.4% over FY18-20E**



Source: Company, ICICI Direct Research

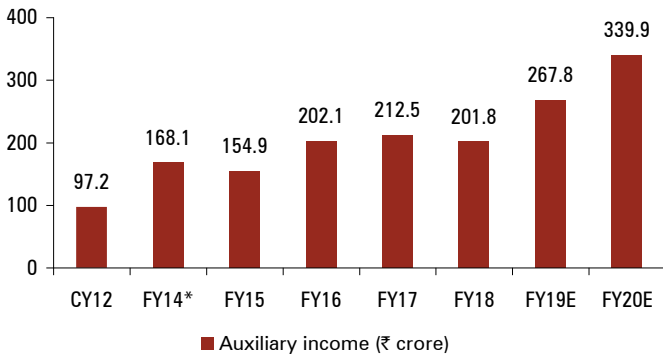
\* FY14 numbers are for 15 months and FY16 onwards, numbers are in IND-AS

**Exhibit 2: Domestic volume growth (%) – sees robust 7% YoY growth**



Source: Company, ICICI Direct Research

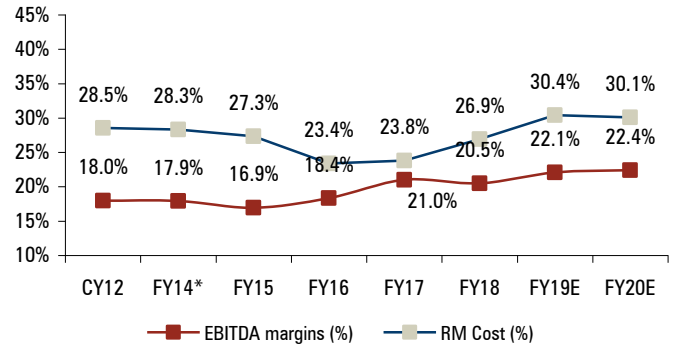
**Exhibit 3: Auxiliary income augurs well for growth**



Source: Company, ICICI Direct Research

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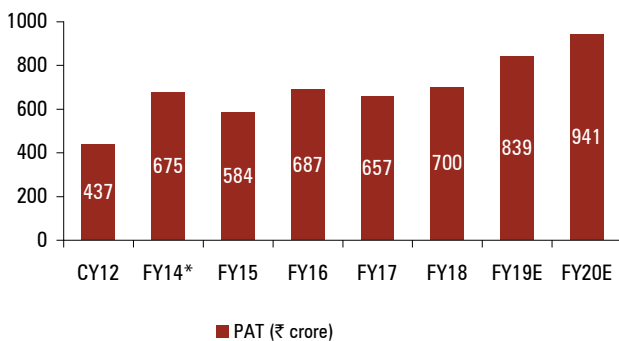
**Exhibit 4: EBITDA margin trend (%)**



Source: Company, ICICI Direct Research

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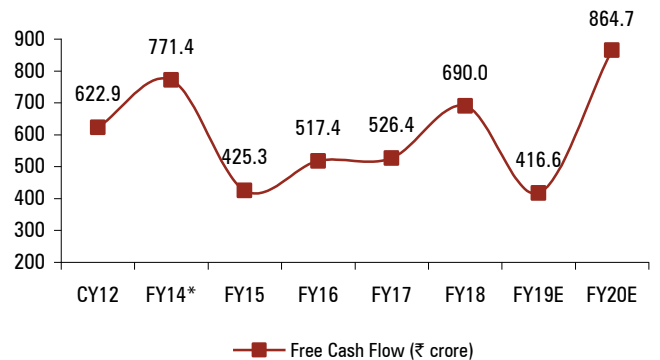
**Exhibit 5: PAT trend (₹ crore)**



Source: Company, ICICI Direct Research

\* FY14 numbers are for 15 months and FY16 onwards, numbers are in IND-AS

**Exhibit 6: FCF generation trend**



Source: Company, ICICI Direct Research

\* FY14 numbers are for 15 months and FY16 onwards, numbers are in IND-AS

## Outlook & Valuation

GCHL's 'Horlicks' has become synonymous with its category and enjoys formidable leadership in the domestic HFD industry. GCHL complements Horlicks (white malt drink) with its presence in the brown malted food drinks category with 'Boost'. Apart from this, strong brands of GlaxoSmithKline Plc, the sixth-largest pharmaceutical company in the world and parent company of GCHL, have always been an added advantage for the company. The company has launched many products in India with similar brand names (Sensodyne, Parodontax), capturing the brand value of GlaxoSmithKline Plc's product.

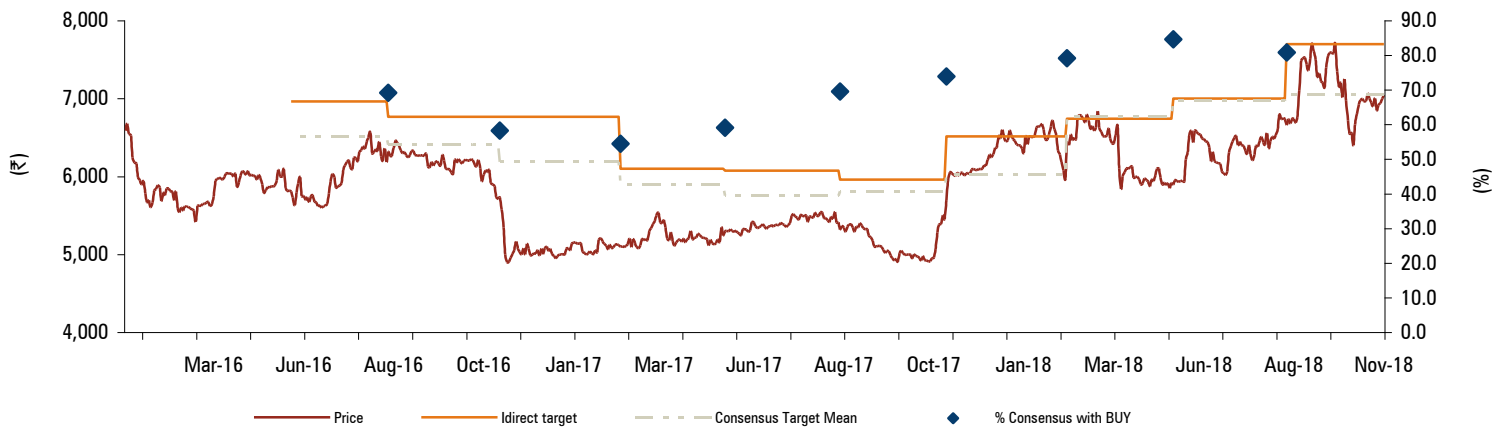
GCHL reported a strong set of numbers during the quarter largely on the back of robust volume growth of 13.7% and a pick-up in rural demand. Hence, we remain positive about the company's long term growth prospect considering - a) the company's focus on increasing penetration & geographical reach and b) aggressive investment behind brands coupled with premiumisation. We reiterate our **BUY** recommendation on the stock with a revised target price of ₹ 8,000/share, 36x FY20E earnings.

### Exhibit 7: Valuations

	Sales (₹ cr)	Growth (%)	EPS (₹)	Growth (%)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
FY17	4425.9	2.7	156.1	12.5	45.3	31.8	21.0	30.8
FY18	4377.1	-1.1	166.5	6.6	42.4	29.6	20.1	29.8
FY19E	4885.8	11.6	199.5	19.8	35.4	24.1	21.8	31.9
FY20E	5339.0	9.3	223.8	12.2	31.6	21.5	22.0	32.3

Source: Company, ICICI Direct Research

### Recommendation history vs. Consensus



Source: Bloomberg, Company, ICICI Direct Research

### Key events

Date	Event
Jan-08	Women's Horlicks launched in the market
Dec-09	Launches Horlicks Asha, priced ~40% cheaper to base brand, targeted at price-sensitive mass consumer
Mar-10	Drives Horlicks brand extension with the launch of Horlicks Foodles instant noodles
Jan-11	Enters the sensitive toothpaste category with the launch of its global brand Sensodyne
Nov-11	Expands the foods portfolio with the launch of Horlicks Oats
Nov-12	Sensodyne overtakes Colgate Sensitive to capture the largest market share in the sensitive toothpaste category
Feb-13	Parent company GlaxoSmithKline Plc raises its stake in the company to 72.46% from 43.16% with ₹ 4800 crore share buyback
Feb-13	Launches another global brand Parodontax toothpaste in India to address the problem of bleeding gums
CY13	Women's Horlicks becomes ₹ 100 crore brand
May-15	Excise benefits enjoyed by the company at its Baddi facility expire
Feb-18	To enter ₹1400 crore protein supplement segment with Horlicks Protein+
Mar-18	GSK has announced strategic review of its Indian consumer nutrition business including Horlicks & Boost brands. It is assessing its 72.5% holding GSK Consumer India as part of that process. The proceeds would be used to finance \$13 billion buyout of Novartis.

Source: Company, ICICI Direct Research

### Top 10 Shareholders

Rank	Name	Latest Filing Date	% O/S	Position (m)	Change (m)
1	GlaxoSmithKline PLC	30-Sep-18	72.46	30.5M	0.0M
2	LIC Mutual Fund Asset Management Company Ltd.	30-Sep-18	2.67	1.1M	0.0M
3	ICICI Prudential Asset Management Co. Ltd.	30-Jun-18	1.14	0.5M	-0.6M
4	UTI Asset Management Co. Ltd.	30-Sep-18	1.05	0.4M	0.0M
5	The Vanguard Group, Inc.	30-Sep-18	0.81	0.3M	0.0M
6	Franklin Templeton Asset Management (India) Pvt. Ltd.	31-Aug-18	0.60	0.3M	0.0M
7	IDFC Asset Management Company Private Limited	30-Sep-18	0.55	0.2M	0.0M
8	Tata Asset Management Limited	31-Aug-18	0.48	0.2M	0.0M
9	Nomura Asset Management Co., Ltd.	31-Jul-17	0.32	0.1M	0.0M
10	SBI Funds Management Pvt. Ltd.	30-Sep-18	0.29	0.1M	-0.1M

Source: Reuters, ICICI Direct Research

### Shareholding Pattern

(in %)	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18
Promoter	72.5	72.5	72.5	72.5	72.5
FII	4.3	4.1	4.5	4.0	4.0
DII	8.9	8.7	8.2	8.4	8.3
Others	14.3	14.8	14.8	15.2	15.3

### Recent Activity

Buys			Sells		
Investor name	Value	Shares	Investor name	Value	Shares
Mirae Asset Global Investments (Hong Kong) Limited	4.45M	0.05M	ICICI Prudential Asset Management Co. Ltd.	-53.90M	-0.57M
The Vanguard Group, Inc.	1.15M	0.01M	SBI Funds Management Pvt. Ltd.	-8.68M	-0.09M
India Infoline Asset Management Company Limited	0.88M	0.01M	Amundi Hong Kong Limited	-2.93M	-0.03M
BNY Mellon Asset Management North America Corporation	0.77M	0.01M	Morgan Stanley Investment Management Inc. (US)	-1.79M	-0.02M
IDFC Asset Management Company Private Limited	0.44M	0.00M	Mirae Asset Global Investments Co., Ltd.	-1.33M	-0.01M

Source: Reuters, ICICI Direct Research



## Financial summary

Profit and loss statement	₹ Crore			
	FY17	FY18	FY19E	FY20E
Total operating Income	4,425.9	4,377.1	4,885.8	5,339.0
Growth (%)		-1.1	11.6	9.3
Raw Material Expenses	1,296.9	1,432.6	1,779.6	1,927.4
Employee Expenses	450.9	527.7	635.2	694.1
Marketing Expenses	514.7	546.7	610.7	667.4
Administrative Expenses	448.0	472.7	268.7	293.6
Other expenses	442.4	453.4	513.0	560.6
Total Operating Expenditure	3,587.6	3,493.7	3,807.2	4,143.1
EBITDA	838.3	883.4	1,078.6	1,195.9
Growth (%)		5.4	22.1	10.9
Depreciation	64.2	64.4	60.1	57.1
Interest	2.8	2.0	1.7	1.9
Other Income	239.1	257.4	244.5	267.8
PBT	1,010.4	1,074.4	1,261.4	1,404.7
Others	0	0	0	0
Total Tax	353.7	374.3	422.6	463.6
PAT	656.7	700.1	838.8	941.2
Growth (%)		6.6	19.8	12.2
EPS (₹)	156.1	166.5	199.5	223.8

Source: Company, ICICI Direct Research

Cash flow statement	₹ Crore				
	(Year-end March)	FY17	FY18	FY19E	FY20E
Profit After Tax		590.3	607.4	838.8	941.2
Add: Depreciation		64.2	64.4	60.1	57.1
(Inc)/dec in Current Assets		-47.0	103.3	-212.8	-108.6
Inc/(dec) in CL and Provisions		173.8	158.9	144.8	175.1
CF from operating activities		603.0	723.0	830.9	1,064.7
(Inc)/dec in Investments		0.0	0.0	10.0	10.0
(Inc)/dec in LT loans & advances		0.0	0.0	0.0	0.0
(Inc)/dec in Fixed Assets		-65.7	-49.4	-414.3	-200.0
Others		0.0	0.0	-20.0	-20.0
CF from investing activities		-602.4	-446.4	-240.9	-210.0
Issue/(Buy back) of Equity		0.0	0.0	0.0	0.0
Inc/(dec) in loan funds		0.0	0.0	0.0	0.0
Dividend paid & dividend tax		-354.2	-353.0	-471.5	-521.1
Others		-2.8	-2.0	-1.7	-1.9
CF from financing activities		-361.3	-363.4	-473.2	-523.0
Net Cash flow		-360.8	-86.8	116.8	331.7
Opening Cash		1,061.7	700.9	614.1	730.9
Cash with Bank		2,386.5	2,971.1	2,971.1	2,971.1
Closing Cash		3,087.4	3,585.2	3,702.0	4,033.7

Source: Company, ICICI Direct Research

Balance sheet	₹ Crore				
	(Year-end March)	FY17	FY18	FY19E	FY20E
Liabilities					
Equity Capital		42.1	42.1	42.1	42.1
Reserve and Surplus		3,080.6	3,443.1	3,810.4	4,230.5
Total Shareholders funds		3,122.7	3,485.1	3,852.4	4,272.5
LT Borrowings & Provisions		0.0	0.0	0.0	0.0
Deferred Tax Liability		0.0	0.0	0.0	0.0
Others Non-current Liabilities		0.0	0.0	0.0	0.0
Total Liabilities		3,359.1	3,670.1	4,017.4	4,417.5
Assets					
Gross Block		629.4	650.9	850.9	1,050.9
Less: Acc Depreciation		133.4	172.8	232.8	289.9
Net Block		495.9	478.1	618.0	761.0
Capital WIP		49.2	35.7	250.0	250.0
Net Intangible Assets					
Non-current Investments		52.3	38.0	38.0	38.0
LT loans & advances		11.7	14.8	13.4	14.6
Current Assets					
Inventory		461.2	409.4	548.8	599.7
Debtors		321.0	278.7	361.4	394.9
Loans and Advances		11.7	14.8	13.4	14.6
Other Current Assets		257.9	273.9	267.7	292.5
Cash		3,087.4	3,585.2	3,702.0	4,033.7
Deferred Tax Assets		127.8	115.5	105.5	95.5
Current Liabilities					
Creditors		875.7	1,034.7	883.5	965.4
Provisions		264.2	277.6	401.6	438.8
Short term debt & other CL		455.8	430.3	602.4	658.2
Application of Funds		3,359.1	3,670.1	4,017.4	4,417.5

Source: Company, ICICI Direct Research

Key ratios					
	(Year-end March)	FY17	FY18	FY19E	FY20E
Per share data (₹)					
EPS		156.1	166.5	199.5	223.8
Cash EPS		171.4	181.8	213.7	237.4
BV		742.4	828.6	916.0	1,015.9
DPS		70.0	95.0	105.0	115.0
Cash Per Share		734.0	852.4	880.3	959.1
Operating Ratios (%)					
EBITDA Margin		21.0	20.5	22.1	22.4
PBT / Total Operating income		22.8	24.5	25.8	26.3
PAT Margin		14.8	16.0	17.2	17.6
Inventory days		38.0	34.1	41.0	41.0
Debtor days		26.5	23.2	27.0	27.0
Creditor days		72.2	86.3	66.0	66.0
Return Ratios (%)					
RoE		21.0	20.1	21.8	22.0
RoCE		30.8	29.8	31.9	32.3
Valuation Ratios (x)					
P/E		45.3	42.4	35.4	31.6
EV / EBITDA		31.8	29.6	24.1	21.5
EV / Net Sales		6.0	6.0	5.3	4.8
Market Cap / Sales		6.7	6.8	6.1	5.6
Price to Book Value		9.5	8.5	7.7	7.0
Solvency Ratios					
Debt/EBITDA		0.0	0.0	0.0	0.0
Debt / Equity		0.0	0.0	0.0	0.0
Current Ratio		0.7	0.6	0.6	0.6
Quick Ratio		0.4	0.3	0.3	0.3

Source: Company, ICICI Direct Research

## ICICI Direct coverage universe (FMCG)

Sector / Company	CMP			M Cap (₹ Cr)	EPS (₹)			P/E (x)			Price/Sales (x)			RoCE (%)			RoE (%)		
	(₹)	TP(₹)	Rating		FY18	FY19E	FY20E	FY18	FY19E	FY20E	FY18	FY19E	FY20E	FY18	FY19E	FY20E	FY18	FY19E	FY20E
Colgate (COLPAL)	1,108	1,200	Hold	30,326	24.8	28.1	31.3	44.8	39.5	35.4	7.1	6.7	6.1	62.9	60.2	59.1	44.7	42.5	41.6
Dabur India (DABIND)	370	475	Buy	67,625	7.7	8.7	10.4	48.0	42.4	35.6	8.7	7.6	6.7	26.2	27.1	29.5	23.8	24.2	26.0
GSK CH (GLACON)	7,066	8,000	Buy	30,280	166.5	199.5	223.8	42.4	35.4	31.6	6.9	6.2	5.7	29.8	31.9	32.3	20.1	21.8	22.0
Hindustan Unilever (HINLEV)	1,635	1,800	Buy	328,320	24.2	28.9	35.3	67.4	56.7	46.3	9.5	8.6	7.5	79.9	100.3	120.7	74.7	86.7	103.8
ITC Limited (ITC)	282	365	Buy	364,422	9.2	10.3	11.5	30.5	27.3	24.5	9.1	8.2	7.5	30.9	34.0	36.2	21.3	23.6	25.0
Jyothy Lab (JYOLAB)	192	215	Buy	6,545	8.8	4.9	6.1	21.7	38.8	31.5	3.9	3.5	3.2	35.1	33.8	37.0	23.5	25.3	29.1
Marico (MARLIM)	337	400	Buy	43,222	6.4	8.0	9.6	52.5	42.4	35.0	6.8	5.6	5.0	38.9	44.2	45.9	32.5	36.3	37.3
Nestle (NESIND)	10,230	12,000	Buy	93,527	127.1	155.6	194.4	80.5	65.7	52.6	9.2	8.3	7.3	34.9	44.9	47.9	37.6	41.8	42.9
Prabhat Dairy (PRADAI)	108	185	Buy	1,543	4.8	6.3	9.2	22.3	17.2	11.7	1.0	0.9	0.8	9.6	11.3	14.1	7.0	8.2	11.2
VST Industries (VSTIND)	3,175	4,000	Buy	4,911	117.8	159.4	173.7	27.0	19.9	18.3	5.2	4.4	4.0	46.9	54.6	51.1	31.3	36.5	34.4
Varun Beverage (VARBEV)	755	860	Buy	13,856	11.7	15.7	19.7	64.4	48.2	38.3	3.5	2.8	2.4	12.7	15.6	17.5	12.1	14.7	17.0

Source: Company, ICICI Direct Research



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**Buy:** > 10%/15% for large caps/midcaps, respectively;

**Hold:** Up to +/-10%;

**Sell:** -10% or more;



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