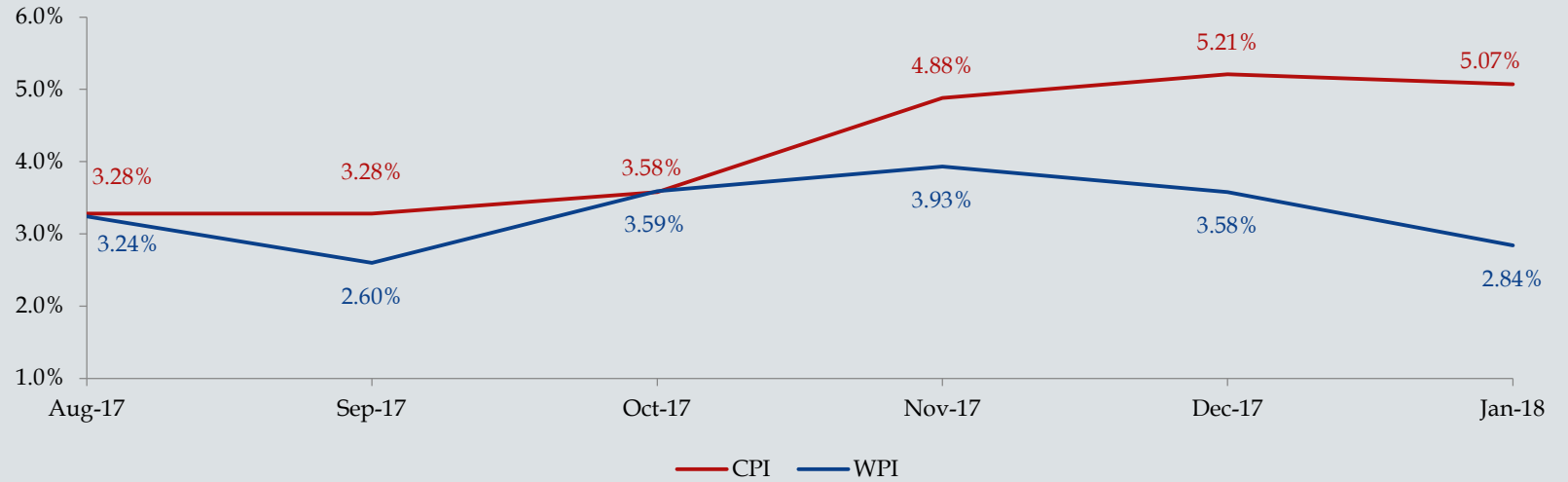




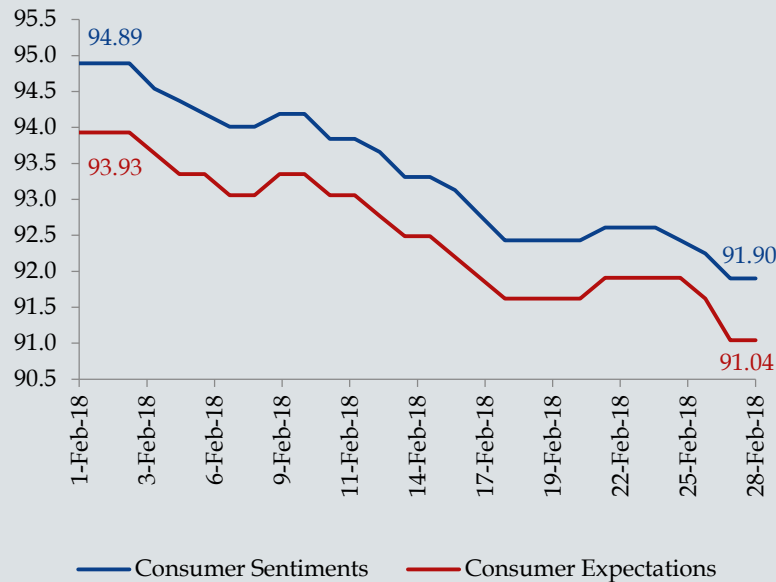
Consumer Pulse
February 2018
Monthly Industry Newsletter

WPI & CPI Inflation

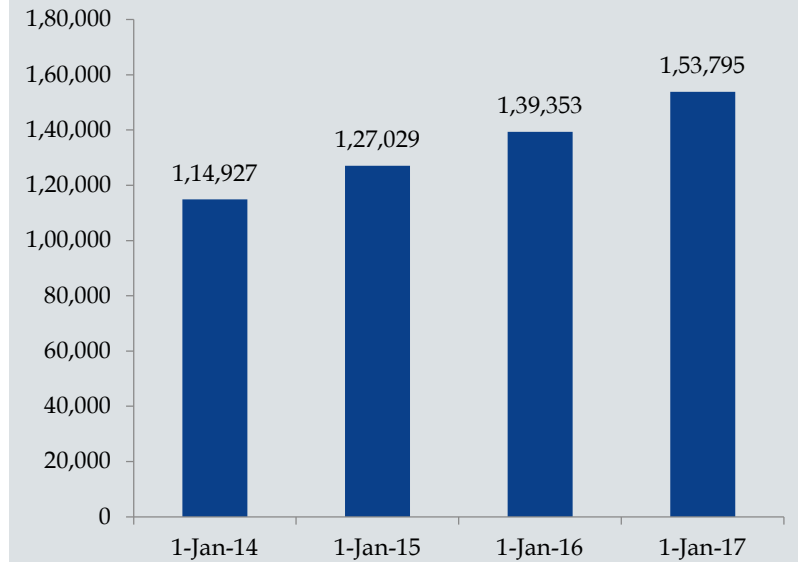


- WPI eases to 2.84% in January for the second straight month, helped by a softer rise in food and fuel prices
- CPI eases marginally to 5.07% in January, due to easing prices of vegetables, fruits and fuel components
- In February 2018, monthly index of consumer sentiments was down 3.15% to 91.90
- Monthly index of consumer expectations was down 3.08% to 91.04
- The monthly index of urban consumer sentiments was down by 5.50% to 85.55, as compared to the previous month
- The monthly index of rural consumer sentiments was down 1.87% to 95.63, as compared to the previous month

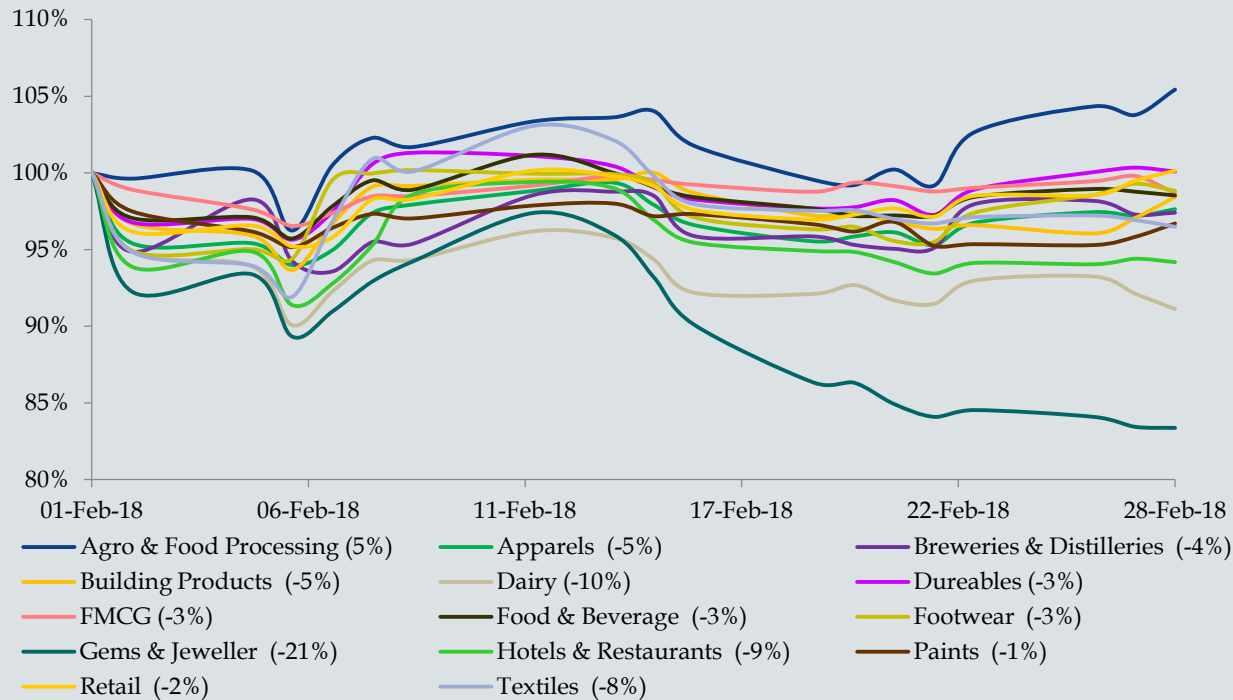
Consumer Sentiments



Disposable Income (INR)



Returns of consumer indices vis-à-vis Sensex returns for the month*



Index	Returns*			
	1M	3M	YTD	12M
Agro & Food Processing	5%	1%	-2%	132%
Apparels	-5%	-3%	-7%	33%
Breweries & Distilleries	-4%	14%	1%	83%
Building Products	-5%	-8%	-10%	29%
Dairy	-10%	2%	-10%	18%
Durables	-3%	3%	-3%	64%
FMCG	-3%	0%	-2%	21%
Food & Beverage	-3%	-5%	-8%	25%
Footwear	-3%	-5%	-11%	43%
Gems & Jeweller	-21%	-8%	-18%	65%
Hotels & Restaurants	-9%	5%	4%	54%
Paints	-1%	-1%	-7%	18%
Retail	-2%	-2%	-4%	46%
Textiles	-8%	-8%	-15%	-18%
Nifty 50 Index	-6%	4%	1%	17%
S&P BSE Sensex Index	-6%	4%	1%	18%
Nifty FMCG	-4%	3%	-1%	17%

* **AGRO & FOOD PROCESSING** - KRBL, Avanti Feeds, Venky'S (India), LT Foods, DFM Foods, ADF Foods, Apex Foods
 * **APPARELS** - Page Industries, Raymond, Kitex Garments, Monte Carlo Fashions, SP Apparels, Ashapura Intimates Fashion, Indian Terrain Fashions, Nandan Denim, Rupa & Company, Lux Industries, Lovable Lingerie, Dollar Industries
 * **BREWERIES & DISTILLERIES** - United Spirits, United Breweries, Radico Khaitan, GM Breweries
 * **BUILDING PRODUCTS** - Kajaria Ceramics, Greenply Industries, Somany Ceramics, Greenlam Industries, Cera Sanitaryware, Sheela Foam, HSIL, Shankara Building Products, Pokarna
 * **DAIRY** - Hatsun Agro Products, Kwaliti, Parag Milk Foods, Prabhat Dairy, Umang Dairies, Heritage Foods
 * **DURABLES** - Titan co, Havells India, Whirlpool of India, V-Guard Industries, TTK Prestige, Blue Star, Bajaj Electricals, LA Opala RG, IFB Industries, V.I.P. Industries, Hawkins Cooker, Butterfly Gandhimathi Applia, Symphony, Surya Roshni, LEEL Electricals, Crompton Greaves Consumer EL
 * **FMCG** - ITC, Zydus Wellness, Hindustan Unilever, Godrej Consumer Products, Dabur India, Marico, Colgate Palmolive (India), Procter & Gamble Hygiene, Emami, Gillette India, Godfrey Phillips India, Jyothy Laboratories, Bajaj Corp, VST Industries
 * **FOOD & BEVERAGE** - Nestle India, Britannia Industries, Glaxosmithkline Consumer Healthcare, Manpasand Beverages, Tasty Bite Eatables, Agro Tech Foods, Tata Global Beverages, CCL Products (India), Tata Coffee, McLeod Russel India, Goodricke Group, Vadilal Industries, Jayshree Tea & Industries
 * **FOOTWEAR** - Bata India, Relaxo Footweares, Mirza International, Liberty Shoes
 * **GEMS & JEWELER** - Rajesh Exports, PC Jeweller, Vaibhav Global, Gitanjali Gems, Renaissance Jewellery, Thanga Mayil Jewellery, Tribhovandas Bhimji Zaveri
 * **HOTELS & RESTAURANTS** - Indian Hotels Co, EIH, Hotel Leelaventure, Jubilant Foodworks, Coffee Day Enterprises, Westlife Development, Speciality Restaurants
 * **PAINTS** - Asian Paints, Berger Paints India, Kansai Nerolac Paints, Akzo Nobel India
 * **RETAIL** - Avenue Supermarts, Aroind, Future Retail, Aditya Birla Fashion and Ret, Trent, Future Lifestyle Fashions Lt, Shoppers Stop, Vmart Retail, Kewal Kiran Clothing, Future Enterprises, Zodiac Clothing Company
 * **TEXTILES** - Trident, Indo Count, Welspun, Himatsiengka

*Note: 1M – Feb-1st – 28th 2018; 3M – Dec 1st – Feb 28th; 6M – Sep 1st – Feb 28th; 12M Mar 1st, 2017 – Feb 28th, 2018

Source: Bloomberg, CapIQ

Deals

Livpure brand owner SAR Group backs Air OK

SAR Group, the founding promoters of brand Luminous and owner of Livpure water purifiers, invested USD 1.87 mn for 30% stake in Air OK Technologies. SAR Group will also provide intangible insights and guidance to scale up the business to the next level. Gurugram based SAR Group is engaged in multiple businesses with focus on energy storage products, home electrical's, automotive batteries. Chennai based Air Ok Technologies is engaged in smart air purifiers manufacturer under the brand name of *Vistar450*.

GotMatter acquires Ridaex Tech for an undisclosed amount

GotMatter acquired Ridaex Technologies for an undisclosed amount. Bengaluru based GotMatter offers consumer electronic products such as televisions, mobiles and headphones, refrigerator, washing machine, air conditioners etc. Ridaex is engaged in the manufacturing of Indian made Smart TVs which are Android-powered LED Televisions.

Emami acquires 26.02% stake in Brillare for an undisclosed amount

Emami acquired 26.02% stake for an undisclosed amount through compulsory convertible preference shares (CCPS). The transaction is expected to be closed by July 31, 2020, and on the same date, all the CCPS held by the company will convert into equity shares. Kolkata based Emami is engaged in the manufacturing of ayurvedic medicinal products, cosmetics, and toiletries. Ahmedabad based Brillare is engaged in manufacturing of personal care products including skin & hair care products.

Backpacker Panda Holidays raises USD 1.4 mn for an undisclosed stake from Exponential Innovation Fund

Exponential Innovation Fund has invested USD 1.4 mn for an undisclosed stake in Backpacker Panda Holidays. The funds will be used to enhance

customer experience, build its brand, strengthen its technology team & expand its footprint in domestic and international markets. Pune based Backpacker Panda is engaged in providing accommodation service through its 14 properties across India

One Click Innovations raises an undisclosed amount from individual investors

One Click Innovations raised an undisclosed amount from individual investors for an undisclosed stake. The proceeds will be used to accelerate the expansion plans and for setting up physical retail stores in major Indian cities. Ahmedabad based One Click Innovations offers snacks, sweets & health foods through *foodmemories.com*

DSG Consumer Partners, IFU invests USD 4.63 mn in Saraf foods for an undisclosed stake

DSG Consumer Partners, IFU invested USD 4.63 mn for an undisclosed stake in Saraf foods. The proceeds will be used to help backward integration in individual quick freezing, add capacity to freeze-drying and diversify into air drying. Vadodra based Saraf Foods is engaged in manufacturing of freeze-dried fruits, vegetables and herbs offering snacks fruits, vegetables, sprouts and lentils, flowers and herbs.

Malabar India Fund invests USD 4.76 mn in Safari industries for a 2.65% stake

Malabar India Fund through open market transaction invested USD 4.76 mn in Safari industries for a 2.65% stake. Mumbai based Safari industries is engaged in manufacturing and marketing travel goods in India.

Transaction	Target	Buyer	Industry	Deal Value (USD mn)	Percentage Sought (%)
M&A	Air Ok Technologies	SAR Group	Household Appliances	1.87	30.00
M&A	Ridaex Technologies	GotMatter	Consumer Electronics	N.A.	100.00
M&A	Brillare Science	Emami Ltd.	Personal Products	N.A.	26.02
PE	Backpacker Panda Holidays	Exponential Innovation Fund	Hotels, Resorts & Cruise Lines	1.40	N.A.
PE	One Click Innovations	Individual investors	Internet Retail	N.A.	N.A.
PE	Saraf Foods	DSG Consumer Partners, IFU	Packaged Foods & Meats	4.63	N.A.
PIPE	Safari Industries	Malabar India Fund	Apparel, Accessories & Luxury Goods	4.76	2.65

Industry Picks**India's luxury market to cross USD 30 bn by year-end**

Assocham predicts the Indian luxury market to cross USD 30 bn from current USD 24 bn driven by growing exposure of international brands amongst Indian youth and higher purchasing power of the upper class in tier II & III cities. Also, increasing retail presence of luxury players across the country and higher numbers of brands entering the country has resulted in strong performance of luxury goods.

Well-travelled consumers and a stable economy, coupled with a young population with growing disposable incomes are the growth drivers for luxury brands across the world. With positive regulations and policies for the retail industry being put in place by the government, India is a market that can no longer be ignored by international brands. The top-selling items in the luxury market are watches, automobile, real estate, fashion accessories, handbags, super premium beauty/personal care products, luxury electronic gadgets, shoes and apparel. According to a study conducted by the chamber, Indian luxury market is poised to expand five-fold in next three years and the number of millionaires are expected to multiply three times in five years.

Lack of suitable infrastructure, high tax rates, rental costs and parallel growing market of counterfeits are some major problems that are a cause of concern for luxury players entering India. Also, the recent demonetization and the INR 2 lakh limit caused certain hindrances to the fast-growing luxury market. However, government has recently approved 100% FDI under the automatic route for single-brand retail trading and also eased the mandatory local sourcing norms, which will enable great flexibility to the global retail brands and increased consumer access to global brands.

Consumer goods makers see spike in rural demand

The government's spending plans to bolster rural development and provide higher income for farmers bode well for consumer companies that are betting on the country's vast hinterland to boost their sales. The move will boost rural consumption and continue to drive the revival momentum.

Nearly 40% of all branded products of daily use are sold in rural areas, home to about 800 mn people whose purchasing behaviour depends on farm output. While rural India was expanding at more than twice the urban growth rate until 2015, the pace tapered off in the past two years due to below-average monsoon.

Over the last couple of months, as GST implementation is settling down, companies are seeing FMCG growth come back on track and these initiatives will provide an additional fillip, especially to rural markets. In calendar year 2017, purchases of consumer products grew the fastest in nearly five years, underpinned by a good monsoon. Several companies including HUL, Colgate, Dabur & Godrej posted double-digit volume growth during the December quarter.

Also, agriculture and farmers' welfare came in for special attention once again in the budget. Several schemes were announced, including 150% increase in minimum support price for crops, liberalisation of agricultural exports & additional allocation for food processing.

Cosmetics market to grow by 25% to USD 20 bn by 2025

UBM estimates the country's cosmetics and cosmeceutical market is expected to register annual growth of 25% touching USD 20 bn by 2025. The industry has an overall market standing of USD 6.5 bn from a global market of USD 274 bn. The Indian industry is growing rapidly at a rate of 13-18 percent, more than that of US or European markets.

The rising awareness of beauty products, increasing premium on personal grooming, changes in consumption patterns and lifestyles and improved purchasing power among women are expected to boost the industry. The market will maintain healthy growth due to rising preference for specialised cosmetic products such as organic, herbal and ayurvedic products. Principal areas that are expected to grow include colour cosmetics, fragrances, specialised skin care and make-up cosmetics.

Global exhibitions such as Cosmoprof are scheduled to take place in India later this year for the first time seeking business opportunities to invest in India. The exhibition platform will represent a new opportunity for brands of finished products, especially for cosmetics and toiletries, beauty salons, hair, nail and accessories, and for the supply chain, with the leaders in raw materials and ingredients, contract manufacturing and private labels, applicators, primary and secondary packaging.

News Pick

Nestle adopts regional cluster approach to fast-track growth; to reduce salt content in Maggi

Packaged foods maker Nestle India has kicked off a regional, cluster approach for brands, marketing and activation to fast-track growth and has identified enhanced nutrition as a core focus area. The maker of *Maggi*, *KitKat* and *Cerelac*, which crossed INR 100 bn in sales for the year ended December 2017, will push increased penetration of products for volume-led growth, which would lead to profitability. Additionally, the company is working on reducing salt and sodium content in *Maggi* by 10% over the next 12-18 months, in line with evolving consumer preferences. The company has reduced sodium and salt content in *Maggi* by about a third over the past few years, and last year, reduced sugar content in chocolate brand *Milkybar* and *Milo* milk drink.

Sony, LG, Panasonic and Samsung to go for price hike of up to 7% on its range of TVs

Leading TV manufacturers like Sony, LG, Panasonic and Samsung are set to increase prices of their LED/OLED sets by up to 7% to offset impact of increase in customs duty. Some of them are also expecting a short-term impact on sales and the Consumer Electronics and Appliances Manufacturers Association (CEAMA) has already initiated a dialogue with the government to roll back the duty hike. Companies like Panasonic is looking for a hike of 2-7% on its range of TVs, whereas Samsung is planning for a 5-6% hike on its range of TVs.

Coca-Cola India to be key player in Indian 'fruit circular economy'

Expanding its fruit based beverage offerings, frozen fruit dessert, foraying into dairy based value added products and also exporting those products, are some of the plans of Coca-Cola India. The company's focus will be on 'fruit circular economy' - enabling farmers to increase their yield, source pulp and launch fruit based products. The company is also planning to launch vegetable based beverage like carrot juice, in addition to fruit juices based on the regional preferences.

ITC merges tobacco leaf, agri-business units

ITC has merged its tobacco leaf and agri-business divisions to scale it up, considering the critical back-end support the combination could provide to the conglomerate's expansion in the FMCG sector, particularly packaged food, where it has ambitions to become the country's largest player. The integration of the two units will help the company sharpen its competencies and leverage them across value chains.

Ikea India to invest as much as INR 40 bn in Maharashtra

Ikea India, the local subsidiary of Swedish furniture retailer Ikea of Sweden, plans to invest INR 30-40 bn in Maharashtra to set up multi-format stores and experience centres. The investment will be deployed over two-three years to build two large stores in Mumbai, a handful of experience centres and Ikea India's first fully owned distribution centre in Pune. A sum of INR 7.5 bn, out of the total investment, has been set aside to develop the distribution

centre. The first store in Maharashtra is expected to open in the Turbhe area of Navi Mumbai in 2019 while the first store in India will be functional in mid-2018 in Hyderabad.

Samsung brings world's first 'wind-free' air conditioner to India

Samsung India is looking to bring the world's first "Wind-Free" air conditioner to India, starting from INR 50,950. The AC will provide ideal condition to room temperature with the help of 21,000 micro air holes, without the discomfort of direct airflow and also reduces energy consumption by up to 72%. A two-step cooling system first lowers temperatures in 'Fast Cooling Mode' and then automatically switches to 'Wind-Free Cooling Mode', creating 'still air' once the desired temperature is achieved.

Wipro to set up manufacturing unit in Telangana for personal care products

Wipro is looking to set up of a manufacturing unit in Telangana at an investment of INR 2.2 bn to produce toilet soaps and other personal care products. The project will come up on a 40 acre land parcel in Maheshwaram mandal of Ranga Reddy district and will employ 300 people directly. Wipro has a good presence in the state and its new manufacturing unit will boost the progress of the industrial sector in Telangana.

United Breweries to enter craft beer market by 2018-end

United Breweries (UBL) will enter the craft beer market by the end of 2018 to tap into a growing base of consumers willing to pay a premium for the brew. The entry into craft beer will put the Kingfisher maker in direct competition with smaller firms such as B9 Beverages, which is at the helm of the craft beer movement in India with its *Bira91* brand. Craft beer industry has been growing c.a. 20% per year.

H&M India to make online foray later this year

Swedish fashion retailer H&M is planning to have an online presence in the country this year, whereas deliveries would be undertaken by a third-party logistics partner. It will have its own online presence and not through marketplaces. Making India as one of the fastest growing marketing for H&M, it posted revenues of INR 9.6 bn for the fiscal. Currently, the company has 29 stores and has been adding one store a month since it began its operations in India. While 75% of its stores are present in large metros, going forward it plans to focus on smaller cities as well.

GSK to enter protein supplement segment with Horlicks Protein+

Aimed at working Indian men, GSK Consumer is set to launch *Horlicks Protein+*, a protein supplement that the company has developed in India. This is the first time GSK is targeting Indian adult men with an extension of brand Horlicks – which was originally brought to India by the British towards the end of World War-II as a dietary supplement. *Horlicks Protein+* will be available in two flavours – vanilla and chocolate – priced at INR 495 for 400 gm and INR 280 for 200 gm.

Ananda Dairy eyes 30% rise in turnover to INR 20 bn in FY19

Ananda Dairy is eyeing over 30% increase in turnover to INR 20 bn in the next financial year (*vs. expected FY18 revenues of INR 15 bn*) as it expands retail footprint as well as product portfolio. The company is looking at opening 500 retail company-owned company-operated (COCO) outlets by end of FY19 in states like Delhi-NCR, Haryana, Uttar Pradesh & Punjab. Currently, it operates over 200 outlets in the NCR. It sells over 50 products at present and has presence in most of the diary products, except ice creams.

Dyson to invest INR 13 bn in India

British firm Dyson plans to pump c.a. INR 13 bn into its Indian operations over the next five years as it looks to make inroads into the burgeoning consumer durable market in India. The company launched its products in the Indian market and plans to set up 20 stores across Delhi-NCR, Mumbai & Bengaluru. The range launched includes cord-free vacuum cleaners (starting INR 32,400), hair dryer (INR 27,900) and air purifiers (starting INR 34,900).

Chasing growth, D-Mart rethinks store strategy

Avenue Supermarts, owner of *D-Mart*, is looking to accelerate profit and revenue growth by opening 30 stores annually from an average of 20 stores in the last two fiscals. For this, it is willing to compromise on certain basic tenets of its business such as owning its stores and focusing only on brick and mortar. So far, the company has followed an ownership or long-lease model, which has helped cut costs and boost margins. Also, challenges in acquiring land at suitable locations, getting necessary permissions & requisite approvals has prompted the shift in strategy

Britannia to add 50 new products to portfolio by next fiscal

Britannia Industries plans to launch around 50 new products under its existing as well as new categories by the end of the next fiscal. The company will launch dairy products and croissants by October-November 2018 through its joint venture with Greek cakes and confectionery major Chipita. It is looking to diversify into bakery and non-bakery items and continues to focus on snacking items. Besides, the company will continue with its strategy of adding new countries in its list and scout for new markets in Africa, while foraying into Bangladesh and Myanmar.

Skechers expects to deliver USD 1 bn revenue from India market

Skechers believe India could be a USD 1 bn market on the back of rapid expansion of stores and newer categories. Skechers, which entered India in 2012 through a joint venture with Future Group, has been doubling its business and plans to add its own manufacturing units and newer categories. Globally, the retailer sells watches, apparels, socks & sunglasses among other merchandise. The brand opened nearly 30 stores over the past four months to take its total store count to over 120 outlets. The company is targeting high growth foreign markets to offset the weakness in the US market that has been growing in mid-single digit, against over 20% in most international markets.

V-Guard hopes to reach INR 25 bn turnover this fiscal

Household appliances major V-Guard Industries is hoping to clock a turnover of INR 25 bn in the current fiscal on the back of the growth pick up in the last few months. The company having a pan-India network, with predominant presence in Southern India, plans to launch a new product every three years. Sales from switch gears, launched recently, have already touched INR 700 mn. Also, the company will be introducing modular switches and air coolers in the coming months. The company is focusing more on technologically advanced products embedded with IoT such as IoT enabled geysers, smart inverters & AC stabilisers.

Parle Products aims to be INR 200 bn company in next 5 yrs

Biscuits and confectionery maker Parle Products aims to double its turnover and cross INR 200 bn in the next five years driven primarily by staples and snacks category. The company, which is a privately held company, has a present turnover of c.a. INR 100 bn. The company is now tapping both - retail as well as institutional markets as hotels, which buys in bulks through its innovative offerings as *Zeera Jeffs* biscuit. The pulses segment presence for the company is only in 2 states currently (Maharashtra & Karnataka) & in five segments - arhar daal, Chanal, masoor, urad & moong daal.

Luxury Paris shoe brand makes India foray

Berluti Paris, a luxury shoe brand from Paris, has opened its maiden boutique in India. It has entered the Indian market in partnership with Bequest Group. The new boutique in DLF Emporio displays the complete lifestyle range of shoes, leather goods & ready-to-wear pieces amongst which are the emblematic Alessandro shoes, Un Jour or Deux Jour briefcases & Playtime sneakers. The company was established in Paris in 1895 and has been built by four generations of shoemakers.

Shoppers Stop plans to become debt-free in FY19

Shoppers Stop plans to become debt-free in 2018-19, which will allow the departmental store chain to focus more aggressively on strategies such as ramping up contribution from its private labels to 15% of overall revenue and expanding its footprint in the fast-growing beauty and cosmetics segment. Shoppers Stop began fiscal 2017-18 with a debt-to-equity ratio of 0.76 times and a total debt of INR 5.75 bn. At the end of December 2017, its debt stood at INR 2.37 bn. The company expects that to fall further to around INR 0.4-0.5 bn by end-March.

Ravi Jaipuria keen to acquire PepsiCo's bottling operations

RJ Corp is keen to acquire remaining portion of PepsiCo's bottling operations in India, which it currently doesn't own. Presently, PepsiCo contributes close to half of the group's business. RJ Corp owns the bottling business of PepsiCo in North & East India through listed entity Varun Beverages, which acquired bottling franchises in 5 more states over the past three-four months. PepsiCo is evaluating internally, whether the entire bottling operations should be managed by one franchisee or split between different companies. For aerated drinks, RJ Corp manages the franchisee for PepsiCo products across 20 states, two Union Territories & overseas markets such as Sri Lanka, Mozambique, Zambia & Morocco.

Pernod Ricard India sales up 9% between July-December 2017

Pernod Ricard has reported a 9% sales growth during six months ended December attributing to low base that had demonetisation and resilience through highway ban. The maker of *Absolut vodka* and *Chivas Regal Scotch* had grown 3% during the same period in 2016. The company continued its double-digit growth of strategic international brands and wines portfolios. The company believes regulatory environment as still uncertain, causing slowdown in Haryana & Punjab.

Panasonic to cut fridge prices, roll out local products soon

Japanese consumer electronics maker Panasonic India is going to reduce refrigerator prices and roll out localised products after setting up a manufacturing plant in India which will start production from March-April 2018. The company has invested INR 1.15 bn for the refrigerator facility in Jhajjar at Haryana which was constructed in record eight months and will manufacture frost-free refrigerator models. The plant has an annual production capacity of around 0.5 mn units which will be later expanded. The new plant will help the company to locally produce models with capacity of 260-340 litres. The company presently imports refrigerator from Vietnam and Thailand. Additionally, the company is going to expand share in televisions from 11% to 14% by expanding the OLED & 4K television model line-up and has also shifted focus to inverter ACs from this year in line with the change in market scenario.

Carlsberg sales declined 2% in India in 2017

Danish brewer Carlsberg witnessed 2% volume decline in 2017 in India (*vs. 16% volume growth in 2016*) on the back of new GST and highway ban. In April last year, a Supreme Court order forced nearly a third of all outlets to shut shop and a significant portion hasn't re-opened or relocated yet. The company has a market share of 17% in India. The company also faces competition from the growing demand of brewed beer amongst the people.

Kellogg looks beyond breakfast for growth

Kellogg India, which has been clocking double-digit growth over the past seven years is now focusing on bets beyond morning food category. The new strategy and philosophy under the new leadership at Kellogg India is to look for larger innovations. The company is looking toward recent momentum in categories such as snacking and frozen foods to generate growth. It aims to look at food hinging around grains as that is where company's strength lies through its grain-based cereal products.

Coca-cola to introduce soft drinks blended with fruit juice

Coca-Cola is set to introduce its core aerated soft drink brands *Sprite*, *Limca* & *Fanta* with fruit juice this summer. The India arm of the world's largest beverage maker has already experimented with fruit juice in its *Fanta* brand with orange juice over a year back, and is planning to expand the franchise with other fruits as well. Besides broadbasing its beverage portfolio, the company is hopeful that addition of fruit juice could bring back consumers who have turned away from sugary aerated drinks.

Aditya Birla Fashion scales down Forever21, cuts costs

Aditya Birla Fashion & Retail Ltd (ABFRL), the licensee of American fast fashion brand Forever21, is downsizing the brand's stores and cutting costs as sales from the fast fashion business decline. The company reported a loss of INR 0.23 bn in the fast fashion business during the quarter ended December 2017, even sales from the business declined 14% from a year earlier to INR 1.14 bn (net sales value, or NSV). Loss widened primarily because Forever21 took a one-time inventory hit and NSV comparisons were also affected by changes in GST rates.

Panasonic considers India to be manufacturing hub for Middle East & Africa

Panasonic is investing in India to build capacity as it expects the country to emerge as a manufacturing hub for the African and West Asian markets for its appliance business. For Panasonic, India is the fastest growing market globally and is among its high priority markets. Besides, the company is also pushing India to be R&D hub to serve its other global markets.

Jubilant halves Dunkin' Donuts' store size in search of profitability

Jubilant Foodworks has reduced the store size of *Dunkin' Donuts* outlets by nearly half, as the company looks to reduce the donut brand's losses in FY18, and eventually grow the business towards profitability. The company is looking at a model that is focused on donuts and beverages, with simple food. The other part of the model is to look at smaller format stores. During the quarter Jubilant Foodworks opened only 1 new *Dunkin' Donuts* outlet while closing 9 existing outlets, taking the total store count to 44 across 12 cities. At the end of the first quarter of FY18, *Dunkin' Donuts* had 55 outlets.

Coca-Cola to take Thums Up globally

Coca-Cola announced it will be officially launching *Thums Up* in markets across South Asia by end of March. This will be the first step in what could amount to a global rollout of the brand. While *Thums Up* is also manufactured in limited quantities the Middle East, to cater to the Indian diaspora, this is the first time it will be launched and marketed outside India. The variant chosen for the global launch is the recently launched *Thums Up Charged* which has a higher proportion of caffeine and a taste identical to the original drink.

Grasim earmarks INR 35 bn to boost VSF capacity

Grasim Industries, will be spending more than INR 35 bn on expanding the output of viscose staple fibre (VSF) that finds key use in making textiles. The board has approved a brownfield expansion of INR 35 bn at the Vilayat facility which will get commissioned by 2021. Coupled with the existing expansion and debottlenecking plan of INR 8 bn, the total capacity for VSF will be increased by 58% to 788 KTPA from the current 498 KTPA. Grasim is the only producer of the fibre in the country. The company already has expansion projects worth INR 29 bn in process for both its VSF and chemicals businesses, taking the total spend on expanding capacities to more than INR 64 bn.

Consumer Scorecard

Company Name	Stock Price	Market Capitalization	Net Revenues	EBITDA Margin	Net Income Margin	EV/Revenues (x)			EV/EBITDA (x)			P/E (x)			ROE	ROCE
	(INR)	(INR mn)	(INR mn)	(%)	(%)	TTM	FY18E	FY19E	TTM	FY18E	FY19E	TTM	FY18E	FY19E	LTM	LTM
Agro & Food Processing																
Godrej Agrovet	652.1	125,672	50,198	8.9%	5.2%	2.72x	2.64x	2.34x	30.58x	29.44x	24.16x	50.63x	47.94x	37.05x	24.8%	10.8%
KRBL	487.9	114,847	32,832	22.8%	13.7%	3.56x	3.58x	3.34x	15.65x	14.48x	12.69x	25.60x	24.37x	21.01x	23.8%	17.8%
Avanti Feeds	2,369.3	107,602	33,472	20.5%	13.4%	3.05x	3.00x	2.52x	14.83x	12.75x	11.05x	24.24x	22.19x	18.65x	65.5%	51.5%
Venky's (India)	3,871.8	54,543	25,639	14.7%	7.4%	2.23x	2.11x	1.86x	15.13x	13.17x	11.84x	28.68x	25.83x	22.94x	36.2%	21.3%
Prataap Snacks	1,216.7	28,534	9,887	7.9%	3.5%	2.77x	2.64x	2.17x	34.94x	30.61x	24.15x	74.89x	61.60x	44.98x	4.3%	3.4%
LT Foods	86.7	27,731	35,122	11.2%	3.8%	1.19x	1.14x	1.01x	10.69x	9.93x	8.98x	17.26x	17.99x	13.42x	20.4%	10.2%
Apex Frozen Foods	649.5	20,295	9,596	10.1%	7.0%	2.14x	N.A.	N.A.	21.26x	N.A.	N.A.	25.18x	N.A.	N.A.	29.0%	13.5%
DFM Foods	1,553.1	15,549	4,196	10.9%	4.6%	3.79x	3.68x	3.12x	34.88x	34.83x	29.49x	80.15x	81.52x	62.70x	24.2%	15.5%
ADF Foods	226.5	4,802	2,041	11.3%	5.3%	2.29x	2.20x	2.02x	20.24x	12.26x	10.15x	43.98x	22.76x	18.49x	6.7%	5.2%
Average						2.64x	2.62x	2.30x	22.02x	19.69x	16.56x	41.18x	38.03x	29.90x		
Apparels																
Page Industries	20,736.3	231,290	24,419	20.5%	13.1%	9.38x	8.97x	7.32x	45.67x	44.07x	35.23x	72.38x	69.84x	55.41x	46.7%	40.5%
Raymond	892.6	54,789	57,502	6.8%	2.0%	1.24x	1.21x	1.07x	18.19x	17.13x	12.52x	47.80x	56.85x	30.05x	6.7%	3.9%
Lux Industries	1,691.3	42,709	10,757	13.0%	6.5%	4.21x	N.A.	N.A.	32.48x	N.A.	N.A.	61.26x	N.A.	N.A.	26.0%	15.2%
Rupa & Company	398.4	31,683	10,928	12.9%	6.6%	2.96x	2.81x	2.41x	23.00x	20.82x	16.72x	43.85x	36.89x	29.08x	17.9%	15.0%
Dollar Industries	441.3	23,923	9,824	13.1%	6.4%	2.66x	2.60x	2.20x	20.34x	21.07x	16.35x	38.65x	36.92x	26.19x	34.5%	16.9%
Kitex Garments	242.0	16,093	5,459	32.1%	15.3%	2.72x	2.34x	1.99x	8.48x	6.45x	5.49x	19.21x	15.30x	10.72x	20.7%	20.9%
Ashapura Intimates Fashion	451.4	11,379	3,112	15.6%	6.5%	4.01x	4.61x	3.94x	25.77x	30.35x	26.19x	55.52x	46.58x	39.28x	17.9%	12.0%
Monte Carlo Fashions	503.1	10,932	6,575	16.7%	9.0%	1.65x	1.61x	1.38x	9.89x	8.82x	7.47x	18.45x	14.88x	12.18x	12.1%	9.0%
S.P. Apparels	340.5	8,570	6,396	15.4%	8.4%	1.52x	1.48x	1.22x	9.82x	9.66x	8.16x	14.80x	17.78x	12.43x	14.0%	8.8%
Indian Terrain Fashions	195.2	7,404	4,563	11.3%	6.6%	1.60x	1.82x	1.45x	14.15x	15.40x	11.43x	24.45x	28.49x	20.53x	16.6%	14.2%
Nandan Denim	136.3	6,547	15,841	14.0%	3.9%	0.73x	0.74x	0.64x	5.17x	4.86x	4.24x	10.46x	10.16x	8.92x	14.8%	7.6%
Lovable Lingerie	197.3	2,920	1,839	6.6%	5.1%	1.61x	N.A.	N.A.	24.46x	N.A.	N.A.	35.68x	N.A.	N.A.	4.1%	2.5%
Average						2.86x	2.82x	2.36x	19.79x	17.86x	14.38x	36.88x	33.37x	24.48x		

Consumer Scorecard

Company Name	Stock Price	Market Capitalization	Net Revenues	EBITDA Margin	Net Income Margin	EV/Revenues (x)			EV/EBITDA (x)			P/E (x)			ROE	ROCE
	(INR)	(INR mn)	(INR mn)	(%)	(%)	TTM	FY18E	FY19E	TTM	FY18E	FY19E	TTM	FY18E	FY19E	LTM	LTM
Breweries & Distilleries																
United Spirits	3,069.9	420,403	88,175	11.4%	1.1%	5.23x	5.50x	4.80x	45.93x	42.95x	32.08x	N.M.	89.52x	57.34x	5.9%	8.7%
United Breweries	1,020.4	269,799	47,292	14.5%	4.9%	5.82x	5.05x	4.48x	40.18x	32.70x	28.82x	N.M.	73.53x	61.63x	10.2%	8.4%
Radico Khaitan	304.7	40,619	16,799	12.6%	4.8%	2.86x	2.68x	2.48x	22.64x	17.43x	15.35x	50.34x	34.77x	27.76x	8.0%	5.7%
G.M.Breweries	891.3	13,033	5,892	15.4%	9.9%	2.15x	N.A.	N.A.	13.91x	N.A.	N.A.	22.26x	N.A.	N.A.	26.0%	23.8%
Average						4.01x	4.41x	3.92x	30.67x	31.02x	25.42x	36.30x	65.94x	48.91x		
Building Products																
Kajaria Ceramics	548.4	87,160	26,813	17.6%	8.9%	3.33x	3.27x	2.84x	18.94x	18.96x	15.60x	36.46x	35.89x	28.18x	20.3%	16.7%
Sheela Foam	1,550.0	75,613	19,129	10.0%	6.1%	3.89x	3.71x	3.20x	39.06x	35.31x	27.67x	64.03x	55.96x	41.44x	31.1%	21.8%
Cera Sanitaryware	3,201.7	41,641	10,066	17.4%	9.9%	4.10x	3.51x	3.00x	23.55x	23.35x	19.28x	41.97x	39.53x	32.37x	21.1%	17.0%
Greenply Industries	329.4	40,393	16,595	15.0%	7.6%	2.63x	2.54x	2.09x	17.54x	17.11x	14.22x	32.01x	28.40x	26.40x	18.1%	12.1%
Shankara Building Products	1,715.4	39,196	23,882	7.0%	3.0%	1.75x	1.71x	1.50x	24.91x	24.54x	20.48x	53.64x	51.75x	38.85x	17.6%	15.8%
HSIL	415.3	30,025	20,782	14.1%	4.8%	1.77x	1.57x	1.38x	12.62x	13.25x	9.51x	29.94x	32.45x	19.89x	7.1%	5.2%
Somany Ceramics	651.4	27,606	18,110	10.6%	5.1%	1.62x	1.73x	1.44x	15.25x	17.31x	12.72x	29.66x	37.65x	23.45x	19.6%	13.0%
Greenlam Industries	1,088.1	26,262	10,902	14.4%	5.9%	2.64x	2.79x	2.59x	18.38x	21.34x	19.66x	40.60x	N.A.	N.A.	18.6%	11.8%
Pokarna	196.4	6,088	3,445	30.7%	13.7%	2.35x	N.A.	N.A.	7.64x	N.A.	N.A.	13.47x	N.A.	N.A.	30.5%	14.3%
Average						2.68x	2.60x	2.25x	19.77x	21.40x	17.39x	37.98x	40.23x	30.08x		
Dairy																
Hatsun Agro Product	724.8	110,292	44,519	9.3%	3.0%	2.67x	2.50x	2.10x	28.73x	26.62x	21.01x	83.51x	78.78x	51.55x	41.5%	15.1%
Heritage Foods	675.3	31,330	23,368	6.2%	2.4%	1.38x	1.24x	1.06x	22.12x	22.32x	15.63x	41.47x	52.96x	29.70x	15.1%	10.6%
Parag Milk Foods	270.5	22,749	18,650	11.2%	5.2%	1.31x	1.26x	1.10x	11.67x	13.98x	11.90x	23.06x	30.29x	23.94x	14.4%	9.8%
Kwality	84.3	20,061	68,718	6.6%	2.8%	0.52x	0.47x	0.42x	7.83x	6.84x	6.02x	10.28x	8.87x	7.73x	19.7%	10.5%
Prabhat Dairy	165.8	16,190	15,263	8.3%	1.8%	1.18x	1.12x	0.97x	14.18x	12.74x	10.38x	57.74x	34.97x	24.86x	4.1%	5.5%
Umang Dairies	88.5	1,946	2,504	1.8%	N.M.	0.88x	N.A.	N.A.	50.21x	N.A.	N.A.	N.M.	N.A.	N.A.	N.M.	1.4%
Average						1.32x	1.32x	1.13x	22.46x	16.50x	12.99x	43.21x	41.17x	27.56x		

Consumer Scorecard

Company Name	Stock Price	Market Capitalization	Net Revenues	EBITDA Margin	Net Income Margin	EV/Revenues (x)			EV/EBITDA (x)			P/E (x)			ROE	ROCE
	(INR)	(INR mn)	(INR mn)	(%)	(%)	TTM	FY18E	FY19E	TTM	FY18E	FY19E	TTM	FY18E	FY19E	LTM	LTM
Durables																
Titan Company	813.4	722,125	152,268	9.7%	6.6%	4.73x	4.64x	3.85x	49.01x	42.37x	33.91x	72.66x	60.96x	48.89x	18.4%	16.8%
Havells India	500.7	313,141	61,558	13.3%	8.0%	4.80x	3.60x	2.99x	36.20x	28.90x	23.42x	64.87x	45.86x	37.49x	15.3%	13.1%
Whirlpool of India	1,502.0	190,561	45,887	11.8%	7.3%	3.96x	3.79x	3.27x	33.64x	33.41x	27.02x	57.10x	54.96x	43.83x	22.3%	18.6%
Crompton Greaves CE	235.5	147,567	40,801	12.3%	7.5%	3.68x	3.57x	3.09x	29.89x	27.96x	23.09x	48.35x	44.97x	35.29x	64.3%	27.1%
Symphony	1,812.9	126,822	7,680	25.8%	21.6%	16.23x	13.84x	11.37x	63.00x	50.68x	42.49x	76.59x	63.34x	50.48x	42.6%	30.3%
V-Guard Industries	227.6	96,858	23,184	9.1%	6.5%	4.13x	3.99x	3.44x	45.59x	39.63x	31.97x	65.09x	56.15x	44.06x	24.6%	19.7%
TTK Prestige	6,740.0	78,529	18,252	13.1%	15.4%	4.27x	4.28x	3.58x	32.65x	31.92x	26.02x	57.58x	48.54x	39.64x	33.0%	13.1%
Blue Star	786.7	75,489	46,449	5.5%	2.9%	1.64x	1.56x	1.35x	29.75x	27.00x	20.97x	55.83x	49.42x	35.76x	18.5%	11.2%
Bajaj Electricals	550.1	56,131	42,617	5.8%	2.4%	1.48x	1.41x	1.26x	25.38x	24.49x	19.49x	54.57x	42.78x	32.10x	12.6%	8.3%
IFB Industries	1,302.7	52,784	20,882	5.4%	2.8%	2.49x	2.44x	2.03x	45.97x	33.29x	26.45x	88.83x	70.42x	51.35x	12.2%	8.1%
VIP Industries	342.3	48,366	13,737	12.2%	8.0%	3.44x	3.37x	2.99x	28.07x	26.60x	23.00x	44.20x	41.48x	35.95x	26.3%	23.3%
La Opala RG	637.6	35,384	2,862	35.8%	23.5%	11.76x	12.36x	10.62x	32.81x	28.78x	24.78x	52.60x	45.67x	39.32x	19.0%	15.8%
Surya Roshni	398.8	21,698	33,586	7.0%	2.1%	0.90x	0.82x	0.74x	12.95x	12.81x	11.74x	24.80x	24.35x	21.29x	9.5%	6.9%
Hawkins Cookers	2,800.1	14,806	6,069	11.2%	7.8%	2.33x	N.A.	N.A.	20.77x	N.A.	N.A.	30.96x	N.A.	N.A.	56.4%	39.4%
LEEL Electricals	246.6	9,944	33,217	8.3%	2.1%	0.62x	N.A.	N.A.	7.49x	N.A.	N.A.	14.21x	N.A.	N.A.	8.3%	7.2%
Butterfly Gandhimathi	477.4	8,536	5,121	1.7%	N.M.	1.89x	1.84x	1.56x	N.M.	34.03x	25.10x	N.M.	N.M.	78.26x	N.M.	N.M.
Average						4.22x	4.50x	3.82x	31.19x	30.65x	25.01x	53.88x	49.92x	42.41x		
FMCG																
ITC	259.9	3,170,086	428,036	36.0%	24.0%	7.10x	7.17x	6.40x	19.73x	19.49x	17.08x	33.85x	28.80x	25.44x	23.1%	19.9%
HUL	1,292.5	2,797,507	331,620	19.1%	13.5%	8.28x	7.87x	6.96x	43.37x	38.47x	32.88x	73.55x	54.91x	46.76x	67.4%	53.4%
Godrej Consumer Products	1,090.7	743,126	96,790	21.1%	14.5%	7.87x	7.56x	6.66x	37.31x	36.03x	31.26x	65.52x	50.43x	42.80x	28.4%	14.3%
Dabur India	323.4	569,676	75,423	20.6%	17.1%	7.51x	7.09x	6.24x	36.44x	34.78x	30.26x	58.62x	41.40x	35.92x	26.0%	14.6%
Marico	305.5	394,331	61,567	19.1%	13.0%	6.24x	5.96x	5.17x	32.74x	32.60x	27.38x	61.25x	46.87x	39.29x	30.8%	23.7%
P&G Hygiene & Health Care	9,234.9	299,770	24,385	28.8%	17.4%	12.18x	11.47x	9.88x	42.25x	40.29x	34.17x	70.62x	64.99x	56.03x	34.9%	32.8%
Colgate-Palmolive (India)	1,044.9	284,198	41,373	25.4%	15.2%	6.76x	6.41x	5.73x	26.59x	25.73x	22.60x	45.31x	43.25x	37.56x	42.9%	38.6%
Emami	1,103.6	250,470	24,875	30.9%	13.3%	10.19x	9.71x	8.33x	32.99x	33.28x	28.06x	75.85x	53.54x	41.65x	19.8%	11.0%

Consumer Scorecard

Company Name	Stock Price	Market Capitalization	Net Revenues	EBITDA Margin	Net Income Margin	EV/Revenues (x)			EV/EBITDA (x)			P/E (x)			ROE	ROCE
	(INR)	(INR mn)	(INR mn)	(%)	(%)	TTM	FY18E	FY19E	TTM	FY18E	FY19E	TTM	FY18E	FY19E	LTM	LTM
Gillette India	6,583.1	214,510	17,480	25.3%	15.3%	12.21x	N.A.	N.A.	48.34x	N.A.	N.A.	80.46x	N.A.	N.A.	34.4%	32.2%
Bajaj Corp	462.8	68,263	7,966	33.2%	27.4%	8.15x	7.69x	6.77x	24.57x	24.08x	20.76x	38.93x	29.02x	25.27x	44.8%	32.4%
Jyothy Laboratories	344.3	62,583	16,753	14.4%	12.9%	4.03x	3.87x	3.38x	28.02x	25.61x	21.82x	44.08x	36.91x	30.59x	21.8%	9.9%
Zydus Wellness	1,248.6	48,783	4,851	24.2%	26.3%	9.10x	8.76x	7.67x	37.63x	39.12x	33.65x	56.74x	39.88x	33.85x	22.1%	11.5%
VST Industries	2,942.2	45,433	8,949	31.3%	20.0%	4.82x	4.21x	3.92x	15.41x	14.14x	12.26x	31.56x	23.69x	20.12x	38.4%	32.0%
Godfrey Phillips India	811.7	42,201	22,815	11.3%	6.0%	1.86x	N.A.	N.A.	16.44x	N.A.	N.A.	41.36x	N.A.	N.A.	8.5%	5.7%
Average						7.59x	7.31x	6.43x	31.56x	30.30x	26.01x	55.55x	42.81x	36.27x		
Food & Beverage																
Nestlé India	7,705.6	742,941	99,525	22.4%	12.3%	7.18x	6.32x	5.58x	31.99x	28.98x	25.09x	60.64x	49.90x	42.55x	38.1%	36.1%
Britannia Industries	4,863.4	583,896	95,497	14.7%	10.0%	6.05x	5.77x	5.03x	41.04x	38.63x	32.08x	61.38x	57.86x	47.65x	37.0%	29.5%
GSK Consumer Healthcare	6,589.0	277,102	42,372	20.2%	15.7%	5.75x	5.66x	5.08x	28.46x	27.86x	24.62x	41.72x	40.10x	34.67x	22.5%	16.7%
Tata Global Beverages	268.2	169,237	68,006	12.8%	6.9%	2.54x	2.49x	2.34x	19.83x	18.19x	16.27x	36.19x	30.93x	27.39x	7.4%	5.8%
Manpasand Beverages	382.5	43,776	8,309	19.3%	10.6%	5.05x	4.48x	3.25x	26.13x	22.76x	16.01x	51.22x	43.20x	30.87x	9.5%	4.9%
CCL Products (India)	294.5	39,170	11,093	21.5%	12.3%	3.68x	3.57x	3.11x	17.15x	16.69x	13.69x	28.76x	26.57x	21.47x	22.3%	15.6%
Tata Coffee	123.9	23,141	15,288	21.9%	9.5%	2.18x	N.A.	N.A.	9.95x	N.A.	N.A.	15.88x	N.A.	N.A.	14.1%	8.2%
Tasty Bite Eatables	7,635.7	19,593	2,696	17.5%	10.3%	7.44x	6.46x	5.57x	42.53x	36.10x	30.80x	70.73x	76.30x	64.84x	35.6%	17.9%
McLeod Russel India	153.4	16,791	18,708	5.8%	3.1%	1.38x	1.26x	1.13x	23.69x	15.55x	16.88x	21.58x	18.37x	14.82x	3.0%	0.2%
Agro Tech Foods	632.0	15,401	8,043	7.5%	3.6%	1.93x	1.87x	1.74x	25.61x	21.44x	19.28x	52.55x	43.59x	36.22x	8.4%	7.2%
Goodricke Group	330.8	7,144	7,078	8.0%	4.5%	1.04x	0.91x	0.79x	12.99x	5.68x	5.00x	22.60x	9.01x	7.86x	9.3%	7.3%
Vadilal Industries	908.8	6,533	5,205	8.3%	1.6%	1.36x	N.A.	N.A.	16.41x	N.A.	N.A.	79.22x	N.A.	N.A.	13.7%	10.7%
Jay Shree Tea & Industries	97.7	2,821	7,516	9.0%	0.1%	0.92x	N.A.	N.A.	10.22x	N.A.	N.A.	N.M.	N.A.	N.A.	0.3%	3.8%
Average						3.58x	3.88x	3.36x	23.54x	23.19x	19.97x	45.21x	39.58x	32.83x		
Footwear																
Bata India	706.3	90,773	24,743	11.5%	6.4%	3.46x	3.25x	2.86x	30.08x	24.26x	20.94x	57.11x	40.50x	34.60x	12.5%	10.8%
Relaxo Footwears	607.9	73,163	19,787	13.9%	7.2%	3.77x	3.75x	3.26x	27.21x	26.28x	21.86x	51.38x	48.18x	39.63x	23.6%	18.2%
Mirza International	129.2	15,544	9,257	18.0%	8.0%	1.89x	1.78x	1.54x	10.50x	10.13x	8.60x	21.00x	20.23x	16.64x	14.5%	12.3%
Liberty Shoes	205.8	3,507	4,959	7.9%	1.3%	0.98x	N.A.	N.A.	12.34x	N.A.	N.A.	54.88x	N.A.	N.A.	4.0%	5.5%

Consumer Scorecard

Company Name	Stock Price	Market Capitalization	Net Revenues	EBITDA Margin	Net Income Margin	EV/Revenues (x)			EV/EBITDA (x)			P/E (x)			ROE	ROCE
	(INR)	(INR mn)	(INR mn)	(%)	(%)	TTM	FY18E	FY19E	TTM	FY18E	FY19E	TTM	FY18E	FY19E	LTM	LTM
Average						2.52x	2.93x	2.56x	20.03x	20.22x	17.13x	46.09x	36.31x	30.29x		
Gems & Jeweller																
Rajesh Exports	800.4	236,311	1,981,136	0.9%	0.6%	0.11x	0.09x	0.08x	11.92x	9.93x	9.11x	19.27x	17.44x	16.09x	20.6%	8.5%
PC Jeweller	326.8	128,875	84,744	8.9%	5.0%	1.50x	1.27x	1.05x	16.77x	12.13x	9.99x	29.55x	20.36x	16.61x	15.2%	12.2%
Vaibhav Global	670.2	21,841	15,187	8.0%	6.1%	1.44x	1.42x	1.32x	17.97x	16.94x	15.09x	23.47x	27.19x	23.52x	21.8%	13.5%
Thangamayil Jewellery	470.5	6,454	13,824	4.2%	1.7%	0.57x	N.A.	N.A.	13.60x	N.A.	N.A.	27.55x	N.A.	N.A.	15.3%	10.8%
TBZ	93.7	6,249	16,998	4.1%	0.9%	0.67x	0.64x	0.53x	16.41x	15.23x	12.34x	42.40x	32.29x	18.20x	3.3%	3.7%
Renaissance Jewellery	301.4	5,690	17,758	4.2%	3.5%	0.45x	0.46x	0.40x	10.60x	7.59x	6.44x	9.37x	9.13x	7.54x	12.1%	4.4%
Gitanjali Gems	17.5	2,070	182,952	3.8%	1.1%	0.41x	0.39x	0.35x	10.77x	7.90x	7.20x	1.04x	0.93x	0.78x	3.0%	2.7%
Average						0.74x	0.71x	0.62x	14.01x	11.62x	10.03x	21.81x	17.89x	13.79x		
Hotels & Restaurants																
The Indian Hotels Company	132.4	157,398	40,020	16.2%	1.6%	4.86x	4.75x	4.30x	29.94x	29.23x	22.52x	N.M.	N.M.	52.14x	N.A.	N.A.
Jubilant FoodWorks	1,978.9	130,573	25,834	9.2%	2.2%	5.01x	4.37x	3.81x	54.12x	31.01x	24.14x	N.M.	72.77x	51.12x	7.4%	7.1%
EIH	166.1	94,909	15,268	21.5%	6.9%	6.39x	5.96x	4.81x	29.69x	31.35x	22.36x	89.48x	87.39x	55.35x	3.8%	4.0%
Coffee Day Enterprises	292.6	61,812	35,514	17.2%	2.8%	2.49x	2.41x	2.15x	14.43x	14.39x	11.92x	66.05x	58.52x	44.64x	3.9%	3.8%
Westlife Development	311.0	48,380	10,622	6.8%	0.2%	4.63x	4.45x	3.72x	67.88x	59.33x	41.05x	N.M.	N.M.	N.M.	0.4%	0.5%
Hotel Leelaventure	17.5	11,003	6,999	16.1%	N.M.	7.49x	N.A.	N.A.	46.54x	N.A.	N.A.	N.M.	N.A.	N.A.	N.M.	N.M.
Speciality Restaurants	132.8	6,234	3,152	N.M.	N.M.	1.76x	N.A.	N.A.	N.M.	N.A.	N.A.	N.M.	N.M.	N.M.	N.M.	N.M.
Average						4.66x	4.39x	3.76x	40.43x	33.06x	24.40x	77.76x	72.89x	50.81x		
Paints																
Asian Paints	1,107.3	1,062,072	162,881	19.1%	12.4%	6.46x	6.16x	5.31x	33.93x	32.08x	27.20x	53.85x	50.99x	42.92x	26.7%	20.9%
Kansai Nerolac Paints	486.5	262,184	40,526	18.2%	12.6%	6.23x	5.48x	4.74x	34.26x	30.56x	26.24x	51.53x	47.97x	41.57x	19.1%	15.4%
Berger Paints India	244.6	237,514	49,804	15.2%	9.2%	4.82x	4.58x	3.96x	31.61x	29.56x	25.00x	51.62x	50.16x	41.21x	25.6%	17.1%
Akzo Nobel India	1,752.5	84,048	28,249	12.4%	8.7%	2.87x	2.67x	2.41x	23.25x	24.52x	20.11x	33.11x	36.97x	30.07x	22.7%	16.8%
Average						5.10x	4.72x	4.11x	30.76x	29.18x	24.64x	47.53x	46.52x	38.94x		
Retail																
Avenue Supermarts	1,298.8	810,530	118,977	8.4%	4.0%	6.78x	5.30x	4.11x	N.M.	58.55x	44.14x	N.M.	N.M.	74.97x	17.9%	13.5%

Consumer Scorecard

Company Name	Stock Price	Market Capitalization	Net Revenues	EBITDA Margin	Net Income Margin	EV/Revenues (x)			EV/EBITDA (x)			P/E (x)			ROE	ROCE
	(INR)	(INR mn)	(INR mn)	(%)	(%)	TTM	FY18E	FY19E	TTM	FY18E	FY19E	TTM	FY18E	FY19E	LTM	LTM
Future Retail	493.7	247,825	182,926	4.5%	3.3%	1.41x	1.35x	1.10x	31.65x	29.80x	22.18x	39.58x	35.39x	25.34x	24.9%	11.9%
Aditya Birla Fashion & Retail	144.0	111,124	70,339	4.5%	0.4%	1.85x	1.77x	1.52x	41.03x	27.12x	19.94x	N.M.	N.M.	60.00x	2.8%	3.5%
Trent	310.3	103,118	18,339	7.0%	4.6%	5.77x	4.82x	4.00x	N.M.	49.76x	38.94x	N.M.	72.73x	50.32x	3.9%	2.9%
Arvind	388.8	100,537	98,806	8.7%	3.0%	1.37x	1.27x	1.13x	15.67x	13.92x	11.11x	34.35x	30.88x	20.97x	9.1%	5.2%
Future Lifestyle Fashions	388.5	73,976	38,771	9.8%	1.2%	2.07x	1.77x	1.50x	21.06x	18.39x	15.35x	N.M.	60.99x	41.38x	2.5%	4.6%
Shoppers Stop	519.1	45,651	49,399	3.3%	3.8%	1.10x	1.09x	1.25x	33.68x	24.59x	17.89x	N.A.	N.M.	59.66x	N.A.	N.A.
V-Mart Retail	1,894.5	34,285	11,769	10.3%	5.4%	2.94x	2.81x	2.24x	28.60x	27.37x	22.42x	54.13x	50.33x	43.70x	24.0%	19.3%
Future Enterprises	37.5	18,451	44,855	23.0%	0.8%	1.56x	N.A.	N.A.	6.79x	N.A.	N.A.	50.48x	N.A.	N.A.	1.0%	2.7%
Kewal Kiran Clothing	1,495.2	18,428	4,924	20.2%	17.3%	3.56x	3.64x	3.27x	17.62x	17.04x	14.78x	21.62x	21.67x	18.39x	26.0%	16.3%
Zodiac Clothing Company	174.8	3,411	2,851	N.M.	2.2%	1.34x	N.A.	N.A.	N.M.	N.A.	N.A.	55.53x	N.A.	N.A.	2.3%	N.M.
Average						2.70x	2.65x	2.24x	24.51x	29.62x	22.97x	42.62x	45.33x	43.86x		
Textiles																
Welspun India	60.7	60,987	54,288	24.7%	8.3%	1.62x	1.41x	1.19x	6.55x	7.13x	5.57x	15.85x	13.80x	9.17x	20.0%	8.3%
Trident	67.7	34,500	46,944	19.0%	7.2%	1.31x	1.30x	1.16x	6.91x	6.45x	5.43x	12.72x	11.47x	7.40x	13.0%	5.2%
Himatsingka Seide	334.6	32,939	22,699	18.6%	8.7%	2.25x	2.22x	2.04x	12.13x	11.06x	8.68x	19.81x	16.02x	12.39x	18.6%	9.2%
Indo Count Industries	91.8	18,111	21,528	15.1%	10.8%	0.98x	0.98x	0.93x	6.49x	7.17x	5.74x	8.27x	12.07x	8.72x	31.5%	16.5%
Average						1.54x	1.48x	1.33x	8.02x	7.95x	6.36x	14.16x	13.34x	9.42x		

About Elara Capital: Elara Capital is a full service investment bank with global presence across India, London, Dubai, Singapore and New York, offering innovative solutions in established and emerging markets. We are the market leaders in advising Indian Companies for global fund raising and cross border M&A, having consummated over 75 transactions worth more than US\$ 4.5 billion in the short span since our inception. Meticulous planning and market understanding allows us to operate transactions seamlessly with a constant focus on maximizing client value irrespective of transaction size. We aim to differentiate ourselves through impeccable service across all our industry groups. Our specialist focus with regard to transaction nature is in the distribution of Indian equity to domestic/onshore investors and the consummation of cross-border transactions.

For any related queries contact:

Abhijit Das

Executive Director

abhijit.das@elaracapital.com

+91 98201 93903

Pawan Lakhwani

Senior Associate

pawan.lakhwani@elaracapital.com

+91 98926 09486

Harshit Sood

Analyst

harshit.sood@elaracapital.com

+91 97693 90777

Disclaimer: This report is for the personal information of the authorized recipients and is not for public distribution and should not be reproduced or redistributed without prior permission. The information provided in the document is from publicly available data and other sources and is not verified. The report is purely for information purpose and does not construe to be investment recommendation/advice. Neither Elara Capital (India) Private Limited or its affiliates, its directors, employees, agent, representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. Elara Capital (India) Private Limited and/or its affiliates & its employees may deal in the securities mentioned herein as a broker or for any other transaction as a Market Maker, Investment Advisor, etc to the issuer company or its connected persons. The distribution of this document in other jurisdictions may be restricted by law & recipients should observe such restrictions.

Elara Capital (India) Private Limited

Indiabulls Finance Centre,
Tower 3, 21st Floor,
Elphinstone Road, Senapati Bapat Marg,
Mumbai 400 013, Maharashtra
India