



STOCK UPDATE

Result Update - Q3FY2026

SECTOR

Consumer Goods

COMPANY DETAILS

Market cap:	Rs. 21,762 cr
52-week high/low:	Rs. 655 / 470
NSE volume: (No of shares)	6.3 lakh
BSE code:	531162
NSE code:	EMAMILTD
Free float: (No of shares)	19.7 cr

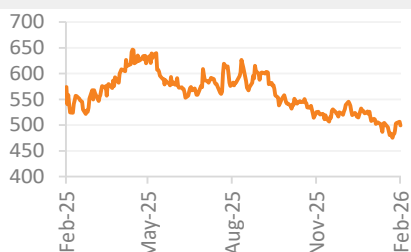
Source: NSE, BSE, Mirae Asset Sharekhan Research

SHAREHOLDING (%)

Promoters	54.8
FII	9.5
DII	26.7
Others	9.0

Source: NSE, BSE, Mirae Asset Sharekhan Research

PRICE CHART



Source: NSE, BSE, Mirae Asset Sharekhan Research

PRICE PERFORMANCE

(%)	1m	3m	6m	12m
Absolute	-1.8	-5.1	-14.4	-13.1
Relative to Sensex	-2.6	-6.0	-18.9	-22.1

Source: Mirae Asset Sharekhan Research, Bloomberg

Reco/View: **BUY**

CMP: **Rs. 499**

Price Target: **Rs. 645**

Quick Snapshot

- Revenues grew 9.8% led by volumes, with OPM rising 108 bps y-o-y to 33.4%, driving adjusted PAT up by 14.3% y-o-y.
- With expectations of a strong rural recovery and Emami's significant presence, it plans to focus on smaller packs/sachets; particularly in shampoo and Smart & Handsome portfolios.
- Company eyes high-single-digit to low-double-digit revenue growth in the near term.
- Stock trades at 25x/23x/21x its FY26E/FY27E/FY28E EPS, respectively. We maintain a Buy with an unchanged PT of Rs. 645.

Result overview

- Consolidated revenue grew 9.8% y-o-y to Rs. 1,152 crore.
- Domestic business delivered 11% y-o-y growth, led by a robust 9% volume growth supported by the winter portfolio and GST led demand.
- About 88% of the portfolio has benefited from GST rate rationalization.
- All major brands performed well, led by BoroPlus, which grew by 16%, Kesh King grew by 10%, Pain management segment grew 8% and health care range grew by 7%. The Male Grooming range grew by 4%. Navratna and Dermicool grew by 1%.
- Strategic subsidiaries (The Man Company and Brillare) together delivered a 31% y-o-y growth.
- International business grew 9% y-o-y led by steady performance in the SAARC and CIS regions. 7 Oils in One, BoroPlus, Creme 21 and the pain management range posted double-digit growth.
- Gross margin and OPM rose by 34 bps and 108 bps y-o-y to 70.6% and 33.4%, respectively aided by cost discipline, judicious price hikes and input price stability.
- Operating profit grew by 13.4% y-o-y to Rs. 384 crore, while adjusted PAT grew by 14.3% y-o-y to Rs. 344 crore. Reported PAT stood at Rs. 320 crore.
- 9MFY26 revenue was flat y-o-y at Rs. 2,855 crore, OPM fell 109 bps y-o-y to 27.2% and adjusted PAT slightly fell by 1.3% y-o-y to Rs. 695 crore.
- Board has declared a second interim dividend of Rs. 6 per share for FY26.

Our Call

Strong brand portfolio, sustained focus on product launches, distribution expansion, scale-up of emerging channels, strong pipeline of D2C brands, growth in international business, and better penetration will help improve growth prospects in the medium term. The stock trades at 25x/23x/21x its FY26E/FY27E/FY28E EPS, respectively. We maintain a Buy with an unchanged PT of Rs. 645.

Key Risks

Slowdown in domestic consumption or any seasonal vagaries are key risks to earnings estimates.

Valuations (Consolidated)

	Rs cr				
Particulars	FY24	FY25	FY26E	FY27E	FY28E
Revenues	3,578	3,809	3,907	4,223	4,572
OPM (%)	26.5	26.9	26.3	27.0	27.3
Adjusted PAT	799	873	875	967	1,059
Adjusted EPS (Rs.)	18.3	20.0	20.1	22.1	24.3
P/E (x)	27.2	24.9	24.9	22.5	20.5
P/B (x)	8.9	8.1	7.1	6.3	5.6
EV/EBITDA (x)	22.3	20.4	20.1	17.8	15.9
RoNW (%)	33.8	34.4	30.9	30.3	29.4
RoCE (%)	36.3	37.6	34.1	33.2	32.1

Source: Company; Mirae Asset Sharekhan estimates

Note: CMP as on Feb 10, 2026

Concall highlights

- Emami saw a q-o-q improvement following the GST 2.0 disruptions that continued to affect the early parts of the quarter. A favourable winter season led to a stronger offtake across its winter portfolio and health care. Management indicated that summer product portfolio channel loading will start by Feb'26 end.
- Rural demand remained resilient, aided by stable agricultural incomes and supportive government initiatives, while urban demand showed gradual improvement, supported by easing inflation and stable employment conditions.
- Omni-channel strategy continued to deliver strong results, with healthy growth across general trade, modern trade, and e-commerce channels. Organized channels contributed ~32% of YTD revenues, reflecting an increase of 280 bps y-o-y in 9MFY26.
- **BoroPlus:** Delivered 16% y-o-y growth led by winter portfolio. Launched various products and variants including 1) BoroPlus Lip Balm 2) 3 variants under BoroPlus Soft 3) 3 variants under BoroPlus Lotions and 4) New SKU - 225/250 ml across MT and E-com channels.
- **Pain management:** The segment saw positive momentum across the portfolio with healthy growth in balms and strong growth in recent launches.
- **Healthcare:** Segment posted 7% y-o-y growth driven by strong growth in Zandu Chyawanprash, Zandu Honey and Zandu Ayurvedic Cough Syrup. It launched Apple Cider Vinegar Effervescent Tablets and Good Gut Constipation Relief Tablets on Zanducare.
- **Kesh King:** Reported 10% y-o-y growth. Revamped proposition, product, packaging and price. Launched Kesh King Gold Advanced Hair Growth Serum.
- **Other brands/categories:** Navratna & Dermicool grew by 1% y-o-y, male grooming by 4% y-o-y and 7 oils in One by 41% y-o-y.
- **Strategic subsidiaries:** All subsidiaries together delivered a 31% y-o-y growth. The Man Company reported strong sales growth in perfumes and non-gas deo categories with D2C website and Qcom leading the momentum. It launched Vitamin C & Anti Acne Facewash; Moisturizing Gel Cream, Anti Dandruff Shampoo and various fragrances. Online business (marketplace, D2C & QC) of Brillare Science delivered robust growth. New launch - Rosemary Oil Shots has shown strong market traction. It is implementing targeted cost optimization initiatives to enhance margins.
- **International business:** Revenue grew by 9% y-o-y driven by high double-digit growth in 7 Oils in One, BoroPlus, Creme 21, and the pain management range.
- Management guided that brands previously growing 4-5% should now achieve 8-9% growth, driven by customer additions and focus on rural market with small SKU's.
- After Budget FY26-27, the applicable income tax rate for standalone entity to reduce to ~25% from 35%. This would lead to overall consolidated tax rate of ~20%, after adjusting for MAT credit.

Results (Consolidated)

Particulars	Rs cr				
	Q3FY26	Q3FY25	y-o-y (%)	Q2FY26	q-o-q (%)
Net revenue	1,151.8	1,049.5	9.8	798.6	44.2
Raw materials	338.3	311.8	8.5	231.4	46.2
Employee costs	121.5	112.5	8.0	121.2	0.2
Ad promotions	191.1	175.7	8.8	156.4	22.2
Other expenses	116.8	110.8	5.4	111.0	5.2
Total expenditure	767.6	710.8	8.0	620.0	23.8
Operating profit	384.2	338.7	13.4	178.6	115.1
Other income	19.0	14.9	27.1	21.4	-11.2
Finance costs	2.9	2.2	34.6	2.6	11.0
Depreciation	22.3	22.3	-0.2	22.2	0.2
Profit before tax	378.0	329.1	14.8	175.1	115.8
Tax	34.1	28.4	20.3	7.8	-
Adjusted PAT	343.9	300.8	14.3	167.4	105.4
Minority interest	0.3	-4.5	-	-1.8	-
Adjusted PAT after MI	344.1	296.3	16.2	165.6	107.9
Extra-ordinary items	24.7	17.3	42.6	17.1	44.1
Reported PAT	319.5	279.0	14.5	148.5	115.2
Adjusted EPS (Rs.)	7.9	6.9	14.3	3.8	105.4
			BPS		BPS
GPM (%)	70.6	70.3	34	71.0	-40
OPM (%)	33.4	32.3	108	22.4	-
NPM (%)	32.8	31.4	145	21.9	-
Tax rate (%)	9.0	8.6	41	4.4	460

Source: Company; Mirae Asset Sharekhan Research

Additional Data
Top 10 shareholders

Sr. No.	Holder Name	Holding (%)
1	Nippon Life India AMC Ltd.	5.56
2	DSP Asset Managers Pvt. Ltd.	3.34
3	HDFC AMC Ltd.	3.02
4	Sundaram AMC Ltd.	2.28
5	AVEES TRADING AND FINANCE	2.00
6	SBI Funds Management Ltd.	1.87
7	Vanguard Group Inc.	1.80
8	Franklin Resources Inc.	1.74
9	UTI Asset Management Co. Ltd.	1.57
10	Aditya Birla Sun Life AMC Ltd.	1.15

Source: Bloomberg

Key management personnel

Name	Designation
R. S. Goenka	Chairman
Harsha Vardhan Agarwal	Managing Director
N. H. Bhansali	Chief Financial Officer
Ravi Varma	Company Secretary and Compliance Officer

Source: Company Website

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