

# PICK OF THE WEEK

25<sup>th</sup> April, 2026

## Britannia Industries Ltd

Sector: FMCG

BUY

CMP

5,730

Target Price

6,310

Upside

10%

CMP as on 24<sup>th</sup> April, 2026 | Time horizon: 6-9 Months

### Why Britannia Industries Ltd

- A Global FMCG Player
- Steady Volume, Strong Brand-led Execution
- Driving Growth Through Premiumization and Distribution

### About the Company

Britannia Industries, a Wadia Group company, is one of the largest food brands in India. Its brands such as Good Day, Tiger, Nutri Choice, Milk Bikis, Marie Gold and 50:50 are well-established in the biscuits segment. Britannia manufactures and sells biscuits, bread, rusk, cakes and dairy products across domestic and international markets. The company enjoys an estimated market share of 38% in the Indian biscuits industry.

### Investment Rational

#### A Improving Traction in Demand Movement

Demand trends are witnessing a gradual improvement with momentum improving in H2FY26 relative to H1FY26. Recent GST reforms are expected to support the biscuits category by driving in-home consumption, enhancing affordability and potentially reviving discretionary demand, particularly across mass and mid-premium segments. For Britannia Industries, the outlook remains constructive. In Q3FY26, the company reported healthy performance, with revenue growing 9.5% YoY, supported by steady traction in core biscuits and adjacent categories, along with continued supply chain efficiencies.

#### B Robust Distribution Channel

Growth momentum remains intact with double-digit rural performance, driven by direct distribution and deeper outlet penetration. In urban markets, Britannia is enhancing reach through revised RTM, stronger e-commerce traction, and sharper focus on high-potential states (2.7x market growth)

## C Scaling Up E-commerce & Quick Commerce

Britannia is increasing investments in e-commerce and quick commerce channels. Currently contributing a high single-digit percentage to revenue with about 20% penetration, this segment is expected to grow to mid-teens contribution over the next 2–3 years, making it a key driver of future growth.

## Outlook & Valuation

With early signs of recovery in both rural and urban demand, Britannia is well-positioned to benefit from its strong and diversified product portfolio. Additionally, normalisation of GST rates is expected to further support growth, particularly in rural and semi-rural markets. We expect Revenue/EBITDA/PAT to grow at 12%/16%/19% CAGR over FY25-28E.

**Valuation:** Trading at 48x Dec'27E EPS

## Analyst Insights

We recommend a **BUY** with a target price of Rs 6310/share, implying an upside of 10% from the CMP.

### Research Analyst

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Suhanee Shome

Research Associate

Suhanee.shome@axissecurities.in

## Financial Summary

|                   | <b>FY26E</b> | <b>FY27E</b> | <b>FY28E</b> |
|-------------------|--------------|--------------|--------------|
| Net Sales (Rs Cr) | 19,582       | 21,937       | 24,736       |
| EBITDA (Rs Cr)    | 3,810        | 4,397        | 5,056        |
| PAT (Rs Cr)       | 2,723        | 3,164        | 3,734        |
| EPS (Rs)          | 113.3        | 131.7        | 155.4        |
| PER (x)           | 50.6         | 43.5         | 36.9         |
| EV/EBITDA (x)     | 35.7         | 30.5         | 26.1         |
| ROE (%)           | 49.4         | 44.4         | 40.2         |
| ROCE(%)           | 48.9         | 45.3         | 42.0         |

## Market Data

|                      |                 |
|----------------------|-----------------|
| <b>No. of Shares</b> | <b>24.08 Cr</b> |
| Market Cap (Rs Cr)   | 1,36,580        |
| 52-week High         | 6336.95         |
| 52-week Low          | 5280.00         |
| P/E (x)              | 50.6            |
| BSE Code             | 500825          |
| NSE Code             | BRITANNIA       |

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