

LT Foods Ltd.

HOLD

Sector: Packaged Foods

13th January 2026

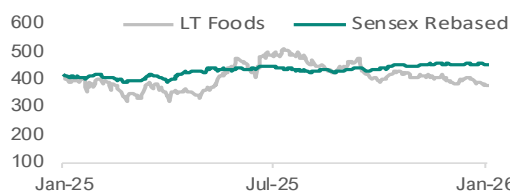
Key Changes	Target	Rating	Earnings	Target	Rs. 402
Stock Type	Bloomberg Code	Sensex	NSE Code	BSE Code	Time Frame
Small Cap	LTFO:IN	83,878	LTFOODS	532783	12 Months
				CMP	Rs. 364
				Return	+10%

Data as of: 12-01-2026 18:00 hrs

Company Data			
Market Cap (Rs. cr.)	12,640		
52 Week High — Low (Rs.)	518-290		
Enterprise Value (Rs. cr)	13,324		
Outstanding Shares (Rs cr)	34.7		
Free Float (%)	39%		
Dividend Yield (%)	0.7		
6m average volume (cr)	0.1		
Beta	1.4		
Face value (Rs)	1.0		

Shareholding (%)	Q4FY25	Q1FY26	Q2FY26
Promoters	51.0	51.0	51.0
FII's	9.3	10.2	10.1
MFs/Institutions	5.9	7.2	8.3
Public	21.2	20.0	19.1
Others	12.6	11.6	11.5
Total	100.0	100.0	100.0
Promoter Pledge	Nil	Nil	Nil

Price Performance	3 Month	6 Month	1 Year
Absolute Return	-6%	-22%	-9%
Absolute Sensex	2%	2%	8%
Relative Return	-8%	-24%	-17%

***over or under performance to benchmark index**

Consolidated (Rs.cr)	FY25A	FY26E	FY27E
Sales	8,681	10,806	11,601
Growth (%)	12.1	24.5	7.4
EBITDA	978	1,186	1,346
EBITDA Margin (%)	11.3	11.0	11.8
Adj. PAT	606	676	797
Growth (%)	6.0	11.5	17.9
Adj. EPS	17.5	19.5	22.9
Growth (%)	-2.4	11.5	17.9
P/E	20.9	18.7	13.4
P/B	3.3	2.8	2.1
EV/EBITDA	13.8	11.7	8.5
ROE (%)	16.8	16.2	16.6
D/E	0.3	0.4	0.1

Author: Vincent K A - Sr. Research Analyst

Strategic Investments to Drive Future...

LT Foods Ltd. (LTF) is a global consumer specialty company with an explicit focus on basmati rice, organic foods and ready to eat/cook (RTE/RTC) products. LTF is having a presence in more than 80 countries with significant regional exposure in the US, Europe, Middle East etc.

- Consolidated revenue rose 31% YoY (normalized growth 12% excluding Golden Star & U.S. tariff) to Rs. 2,766cr. North America (~46% revenue mix), grew 47% YoY (16% normalized), followed by India (30% mix) grew 13% YoY, Europe surged 31% YoY aided by new Rotterdam facility.
- Segment wise, Basmati revenue (87% mix) grew by 24%YoY, organic (10% mix) grew by 22%YoY while RTH/RTC-Ready to Heat/Cook (2% mix) declined by 5%YoY due to US capacity constraints.
- EBITDA grew 35% YoY to Rs. 309cr, EBITDA margin grew by only 30bps YoY to 11.2% due to higher ad-spend and outsourced costs in organic segment.
- LTF's subsidiary, Ecopure Specialities Ltd (Organic segment) has received a preliminary notice from the US DoC for a CVD @ 340% (Rs.170cr) on sales of Rs. 50cr (0.6% revenue mix) pertaining to CY23, and awaiting for final determination.
- LTF targets Rs. 1000cr each from the recently set up manufacturing facility in the UK and from the expanded distribution in Saudi Arabia in next 5 years. Adding to this, LTF announced 100% acquisition of Global Green Kft (Hungary), adding a €40mn revenue base, a third manufacturing hub (€15bn processed food market).
- EBITDA margin to improve with scale up in value added segments. RTC/RTE segment to grow at ~35%, breakeven at Rs.400cr revenue by FY27 (Rs.200cr-FY25).

Outlook & Valuation

LTF's recent initiatives towards expansion & diversification strategy support a strong long-term positive outlook and re-rating. The additional initiatives in the Europe and Saudi Arabia will support long-term volume outlook. The current uncertainty on the US tariff is continuing and the price negotiations are underway amidst strong demand. The margin impact in the organic segment is expected to normalise by next year. We expect PAT to grow at a 16% CAGR over FY25-27E. **We roll forward to FY28E EPS, value at 15x PE (3Yr avg 17x) to arrive at a target price of Rs.402, recommend HOLD due to recent correction in stock price.**

Quarterly Financials Consolidated

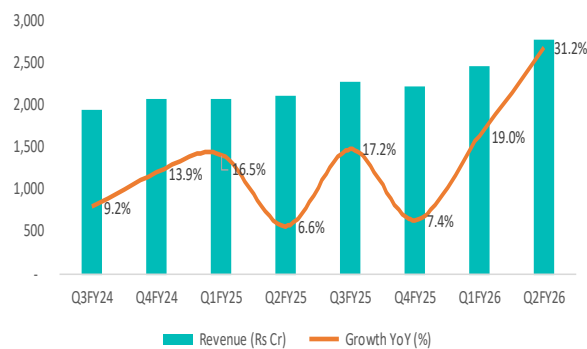
Rs. cr	Q2FY26	Q2FY25	YoY (%)	Q1FY26	QoQ (%)	H1FY26	H1FY25	YoY (%)
Sales	2,766	2,108	31.2	2,464	12.3	5,230	4,178	25.2
EBITDA	309	229	35.0	265	16.6	575	470	22.3
Margin (%)	11.2	10.9	30bps	10.8	40bps	11.0	11.3	-30bps
EBIT	250	184	35.3	213	17.1	463	383	20.7
PBT	229	200	14.6	228	0.4	457	408	12.1
Rep. PAT	164	148	10.4	169	-2.7	332	302	10.2
Adj. PAT	164	148	10.4	169	-2.7	332	302	10.2
EPS (Rs)	5.1	4.6	10.4	5.3	-2.7	10.4	9.4	10.2



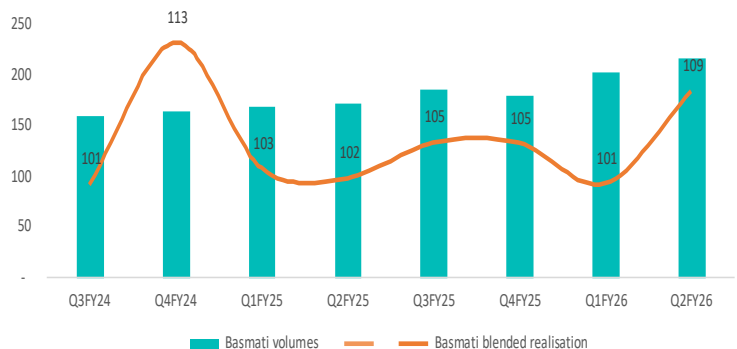
Key Highlights...

- Organic business expanded B2C footprint in Europe with Rotterdam facility; incremental ₹400cr revenue expected over five years.
- Household penetration of Daawat in India rose to 56.2 lakh homes (vs. 45.6 lakh in FY23); leadership in western region. Brand investments doubled YoY; major influencer campaigns and global activations boosted consumer engagement.
- Working capital days reduced to 174 from 195; inventory days improved to 187; net debt/EBITDA at 0.46x, indicating strong balance sheet health.
- Gross margin expanded YoY, helped by favourable crop procurement and stable basmati pricing trends, even as organic margins temporarily softened due to third party processing due to operational shift in Nature Bio Foods (Europe) during capacity scale up, but revenue momentum remains healthy and margins expected to normalize by Q4.
- US tariff pass-through remains in progress, with the 10% duty already absorbed and higher phase duties (25% and 50%) under active negotiation with retail partners.
- RTC/RTE capacity constraints in the US restricted volume capture despite strong demand; new plant commissioning expected to unlock growth and support breakeven by FY27.
- Middle East business recovering after a weak Q1, with Saudi Arabia branded sales reaching ₹28 crore; company remains focused on building presence over the next 5 years.

Revenue



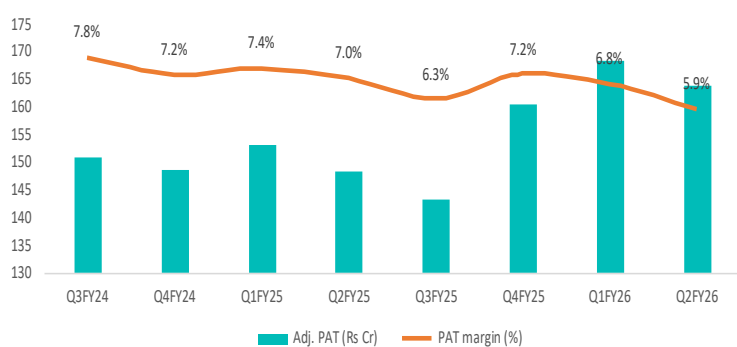
Basmati volumes & realisation



EBITDA



PAT



Year / Rs cr	Old estimates		New estimates		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Revenue	10,243	11,597	10,806	11,601	5.5	0.0
EBITDA	1,129	1,357	1,186	1,346	5.0	-0.8
Margins (%)	11.0	11.7	11.0	11.6	-10bps	-10bps
Adj. PAT	663	818	676	797	1.9	-2.6
EPS	19.1	23.6	19.5	22.9	1.9	-2.8



Consolidated Financials

PROFIT & LOSS

Y.E March (Rs. cr)	FY21A	FY22A	FY23A	FY24A	FY25A	FY26E	FY27E	FY28E
Revenue	4,734	5,391	6,898	7,743	8,681	10,806	11,601	12,688
% change	14.4	13.9	27.9	12.2	12.1	24.5	7.4	9.4
EBITDA	559	561	663	908	978	1,186	1,346	1,497
% change	18.6	0.3	18.3	36.9	7.7	21.2	13.5	11.3
Depreciation	108	123	127	153	186	239	241	240
EBIT	451	438	536	755	793	946	1,105	1,257
Interest	87	69	82	83	88	126	110	70
Other Income	37	59	75	78	88	94	94	102
PBT	400	428	529	751	793	915	1088	1289
% change	42.8	7.0	23.7	41.9	5.6	15.3	19.0	18.5
Tax	109	114	140	203	209	241	286	339
Tax Rate	27.2%	26.7%	26.4%	27.0%	26.3%	26.3%	26.3%	26.3%
Reported PAT	275	292	403	572	606	676	797	943
Adj*	2	0	5	1	0	0	0	0
Adj PAT	272	292	397	572	606	676	797	943
% change	48.1	7.2	36.2	43.9	6.0	11.5	17.9	18.4
No. of shares (cr)	32.0	32.0	34.7	34.7	34.7	34.7	34.7	34.7
Adj EPS (Rs.)	8.6	9.1	12.6	17.9	17.5	19.5	22.9	27.2
% change	48.1	7.2	36.2	43.9	-2.4	11.5	17.9	18.4
DPS (Rs.)	1.0	1.0	0.5	1.0	1.2	1.2	1.2	1.2
CEPS (Rs.)	11.9	13.0	15.1	20.9	22.8	26.3	29.9	34.1

CASH FLOW

Y.E March (Rs. cr)	FY21A	FY22A	FY23A	FY24A	FY25A	FY26E	FY27E	FY28E
Net inc. + Depr.	383	415	584	758	792	915	1,037	1,183
Non-cash adj.	2	5	-43	-52	7	7	8	9
Other adjustments	97	92	59	125	41	133	118	79
Changes in W.C	-54	-1	-339	-80	-374	-1111	-271	-486
C.F. Operation	445	517	258	757	463	-63	884	777
Capital exp.	-114	-158	-154	-203	-239	-155	-50	-100
Change in inv.	14	4	-243	-6	-12	0	0	0
Other invest.CF	0	8	2	7	1	0	0	0
C.F. – Investment	-100	-145	-395	-201	-250	-155	-50	-100
Issue of equity	0	0	382	0	0	0	0	0
Issue/repay debt	-225	-278	-157	-431	134	350	-550	-600
Dividends paid	-32	-32	-16	-35	-104	-42	-42	-42
Other finance.CF	-89	-47	-73	-72	-180	-126	-110	-70
C.F. – Finance	-346	-358	136	-538	-150	182	-702	-712
Chg. in cash	-2	14	0	17	62	-36	132	-35
Closing cash	17	32	32	50	143	107	239	204

BALANCE SHEET

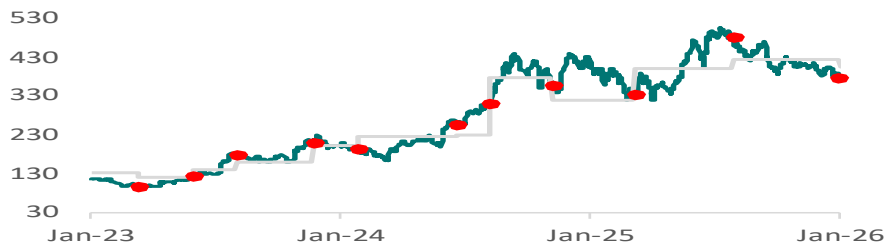
Y.E March (Rs. cr)	FY21A	FY22A	FY23A	FY24A	FY25A	FY26E	FY27E	FY28E
Cash	30	39	39	50	144	108	240	205
Accounts Receivable	494	618	682	684	752	947	1,049	1,147
Inventories	2,223	2,352	3,072	3,498	4,360	4,988	5,333	5,815
Other Cur. Assets	211	165	162	170	208	261	280	307
Investments	29	25	127	183	223	223	223	223
Gross Fixed Assets	1,331	1,429	1,593	1,849	2,278	2,458	2,508	2,608
Net Fixed Assets	794	822	910	1,072	1,315	1,256	1,065	925
CWIP	33	35	27	41	45	20	20	20
Intangible Assets	86	84	85	88	89	89	89	89
Def. Tax (Net)	28	24	25	32	42	42	42	42
Other Assets	201	209	203	239	244	326	350	382
Total Assets	4,128	4,372	5,333	6,058	7,423	8,259	8,692	9,155
Current Liabilities	683	911	1,295	1,565	2,134	1,942	2,146	2,279
Provisions	11	12	13	18	23	28	30	33
Debt Funds	1,506	1,262	1,184	907	1,261	1,611	1,061	461
Other Liabilities	145	159	48	197	151	191	212	238
Equity Capital	32	32	35	35	35	35	35	35
Reserves & Surplus	1,724	1,966	2,722	3,337	3,819	4,453	5,207	6,109
Shareholder's Fund	1,783	2,029	2,793	3,372	3,854	4,487	5,242	6,143
Total Liabilities	4,128	4,372	5,333	6,058	7,423	8,260	8,692	9,155
BVPS (Rs.)	53	61	78	95	109	128	149	175

RATIOS

Y.E March	FY21A	FY22A	FY23A	FY24A	FY25A	FY26E	FY27E	FY28E
Profitab. & Return								
EBITDA margin (%)	11.8	10.4	9.6	11.7	11.3	11.0	11.6	11.8
EBIT margin (%)	9.5	8.1	7.8	9.8	9.1	8.8	9.5	9.9
Net profit mgn.(%)	5.7	5.4	5.8	7.4	7.0	6.3	6.9	7.4
ROE (%)	16.8	15.5	16.7	18.7	16.8	16.2	16.4	16.6
ROCE (%)	8.0	8.0	9.7	11.6	10.9	10.5	10.8	11.6
W.C & Liquidity								
Receivables (days)	43.2	37.7	34.4	32.2	30.2	28.7	31.4	31.6
Inventory (days)	153.2	154.9	143.5	154.9	165.2	157.9	162.4	160.3
Payables (days)	46.0	63.6	74.4	82.7	95.5	85.5	79.7	79.9
Current ratio (x)	1.7	1.8	2.0	2.1	1.9	2.1	2.3	2.8
Quick ratio (x)	0.3	0.4	0.4	0.3	0.3	0.3	0.4	0.5
Turnover & Leverage								
Gross asset T.O (x)	3.6	3.9	4.6	4.5	4.2	4.6	4.7	5.0
Total asset T.O (x)	1.2	1.3	1.4	1.4	1.3	1.4	1.4	1.4
Int. coverage ratio (x)	5.2	6.4	6.5	9.1	9.0	7.5	10.0	17.9
Adj. debt/equity (x)	0.9	0.6	0.4	0.3	0.3	0.4	0.2	0.1
Valuation								
EV/Sales (x)	2.8	2.4	2.0	1.7	1.6	1.3	1.1	1.0
EV/EBITDA (x)	23.5	23.0	20.6	14.7	13.8	11.7	9.8	8.5
P/E (x)	42.8	39.9	29.3	20.4	20.9	18.7	15.9	13.4
P/BV (x)	6.6	5.8	4.6	3.7	3.3	2.8	2.4	2.1



Recommendation Summary (last 3 years)



Source: Bloomberg, Geojit Research

Dates	Rating	Target
7-Jun-23	Accumulate	142
9-Aug-23	SELL	160
29-Nov-23	SELL	201
2-Feb-24	Accumulate	226
28-Jun-24	SELL	230
14-Aug-24	Buy	378
13-Nov-24	SELL	322
18-Mar-25	Accumulate	393
06-Aug-25	SELL	424
13-Jan-26	Hold	402

Investment Rating Criteria

Ratings	Large caps	Midcaps	Small Caps
Buy	Upside is above 10%	Upside is above 15%	Upside is above 20%
Accumulate	-	Upside is between 10%-15%	Upside is between 10%-20%
Hold	Upside is between 0% - 10%	Upside is between 0%-10%	Upside is between 0%-10%
Reduce/sell	Downside is more than 0%	Downside is more than 0%	Downside is more than 0%

Not rated/Neutral

Definition:

Buy: Acquire at Current Market Price (CMP), with the target mentioned in the research note; **Accumulate:** Partial buying or to accumulate as CMP dips in the future; **Hold:** Hold the stock with the expected target mentioned in the note.; **Reduce:** Reduce your exposure to the stock due to limited upside.; **Sell:** Exit from the stock; **Not rated/Neutral:** The analyst has no investment opinion on the stock.

Symbols definition:



Upgrade



No Change



Downgrade

To satisfy regulatory requirements, we attribute 'Accumulate' as Buy and 'Reduce' as Sell.

The recommendations are based on 12 month horizon, unless otherwise specified. The investment ratings are on absolute positive/negative return basis. It is possible that due to volatile price fluctuation in the near to medium term, there could be a temporary mismatch to rating. For reasons of valuations/ return/lack of clarity/event we may revisit rating at appropriate time. Please note that the stock always carries the risk of being upgraded to BUY or downgraded to a HOLD, REDUCE or SELL.

Not rated/Neutral- The analyst has no investment opinion on the stock under review.

DISCLAIMER & DISCLOSURES

Certification: I, Vincent K A, author of this Report, hereby certify that all the views expressed in this research report reflect our personal views about any or all of the subject issuer or securities. This report has been prepared by the Research Team of Geojit Investments Limited, hereinafter referred to as GIL.

For general disclosures and disclaimer: Please [Click here](#).

Regulatory Disclosures:

Group companies/ Fellow subsidiaries of Geojit Investments Ltd (GIL) are Geojit Financial Services Limited (GFSL), Geojit Technologies Private Limited (Software Solutions provider), Geojit Credits Private Limited (NBFC), Geojit Fintech Private Ltd, Geojit IFSC Ltd (a company incorporated under IFSC Regulations), Qurum Business Group Geojit Securities LLC (a subsidiary of holding company in Oman engaged in Financial Services), Barjeel Geojit Financial Services LLC (a joint venture of holding company in UAE engaged in Financial Services), and BBK Geojit Consultancy and Information KSC (C) (a joint venture in Kuwait-engaged in Financial services). In the context of the SEBI Regulations on Research Analysts (2014), GIL affirms that we are a SEBI registered Research Entity and in the course of our business as a stock market intermediary, we issue research reports /research analysis etc. that are prepared by our Research Analysts. We also affirm and undertake that no disciplinary action has been taken against us or our Analysts in connection with our business activities.

In compliance with the above-mentioned SEBI Regulations, the following additional disclosures are also provided which may be considered by the reader before making an investment decision:

1. Disclosures regarding Ownership:

GIL confirms that:

(i)It/its associates have no financial interest or any other material conflict in relation to the subject company (ies) covered herein, at the time of publication of the research report.

(ii)It/its associates have no actual beneficial ownership of 1% or more in relation to the subject company (ies) covered herein, at the end of the month immediately preceding the date of publication of the research report.

Further, the Analyst confirms that:

(i) He, his associates and his relatives shall take reasonable care to ensure that they do not have any financial interest in the subject company (ies) covered herein, and they have no other material conflict in the subject company, at the time of publication of the research report.

(ii) He, his associates and his relatives have no actual/beneficial ownership of 1% or more in the subject company covered, at the end of the month immediately preceding the date of publication of the research report.

2. Disclosures regarding Compensation:

During the past 12 months, GIL or its Associates:

(a) Have not received any compensation from the subject company; (b) Have not managed or co-managed public offering of securities for the subject company (c) Have not received any compensation for investment banking or merchant banking or brokerage services from the subject company. (d) Have not received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company. e) Have not received any compensation or other benefits from the subject company or third party in connection with the research report (f) The subject company is / was not a client during twelve months preceding the date of distribution of the research report.

3. Disclosure by GIL regarding the compensation paid to its Research Analyst:

GIL hereby confirms that no part of the compensation paid to the persons employed by it as Research Analysts is based on any specific brokerage services or transactions pertaining to trading in securities of companies contained in the Research Reports.

4. **Disclosure regarding the Research Analyst's connection with the subject company:** It is affirmed that I, Vincent K A, Research Analyst (s) of GIL have not served as an officer, director or employee of the subject company.

5. **Disclosure regarding Market Making activity:** Neither GIL/its Analysts have engaged in market making activities for the subject company.

6. **Disclosure regarding conflict of interests:** GIL shall abide by the applicable regulations/ circulars/ directions specified by SEBI and Research Analyst Administration and Supervisory Body (RAASB) from time to time in relation to disclosure and mitigation of any actual or potential conflict of interest. GIL will endeavour to promptly inform the client of any conflict of interest that may affect the services being rendered to the client.

7. "Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors."

8. Clients are required to keep contact details, including email id and mobile number/s updated with the GIL at all times.

9. In the course of providing research services by GIL, GIL cannot execute/carry out any trade (purchase/sell transaction) on behalf of, the client. Thus, the clients are advised not to permit GIL to execute any trade on their behalf.

10. GIL will never ask for the client's login credentials and OTPs for the client's Trading Account Demat Account and Bank Account. The Clients are advised not to share such information with anyone including GIL.

11. Standard Warning: "Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

12. Disclosures regarding Artificial Intelligence tools.

Neither Geojit Investments Limited nor its Analysts have utilized any AI tools in the preparation of the research reports.

Please ensure that you have read the "Risk Disclosure Documents for Capital Market and Derivatives Segments" as prescribed by the Securities and Exchange Board of India before investing.

Geojit Investments Ltd. Registered Office: 7th Floor 34/659-P, Civil Line Road, Padivattom, Kochi-682024, Kerala, India. Phone: +91 484-2901000, Website : www.geojit.com/GIL . For investor queries: customer-care@geojit.com

GRIEVANCES

Step 1: The client should first contact the RA using the details on its website or following

contact details: Compliance officer: Ms. Indu K. Address: 7th Floor, 34/659-P, Civil Line Road, Padivattom, Ernakulam.; Phone: +91 484-2901367; Email: compliance@geojit.com . For Grievances: grievances@geojit.com . **Step 2:** If the resolution is unsatisfactory, the client can also lodge grievances through SEBI's SCORES platform at www.scores.sebi.gov.in **Step 3:** The client may also consider the Online Dispute Resolution (ODR) through the Smart ODR portal at <https://smartodr.in>

Corporate Identity Number: U66110KL2023PLC080586, Research Entity SEBI Reg No: INH000019567 ; Depository Participant : IN-DP-781-2024.

