BP Wealth | STOXBOX

Result Update

Q4 FY26

CCL Products (India) Ltd.

Institutional Research

CCL Products (India) Ltd.

BP WEALTH

FMCG | Q4FY26 Result Update — **11th May 2026**

Strong Growth Momentum Backed by Premiumization and Brand Expansion

CCL Products (India) Limited delivered a robust financial performance for the fourth quarter and full year ended March 31, 2026, characterized by significant top-line expansion and steady growth in profitability. For Q4FY26, the company reported consolidated revenue of Rs. 1,224.44 crores, marking a sharp 46.5% increase compared to Rs. 835.85 crores in the same period last year. This growth was mirrored on a sequential basis, with revenue rising 16.6% over Q3FY26. For the full financial year 2025-26, total revenue reached Rs. 4,457.37 crores, up 43.5% from Rs. 3,105.75 crores in FY25, highlighting the company's strong volume traction and successful capacity utilization across its global manufacturing hubs. EBITDA stood at 191.82 crores, up by 17.5% YoY and with margins of 15.7%, down by 387 bps YoY. On the profitability front, the company maintained healthy momentum despite elevated raw material costs. Profit After Tax (PAT) for the quarter stood at Rs. 114.53 crores, representing a 12.4% year-on-year growth, with PAT margin at 9.4% down by 283 bps YoY. For the entire fiscal year, CCL reported a consolidated PAT of Rs. 388.11 crores, a significant 25.1% jump from the Rs. 310.34 crores recorded in the previous year. Reflecting this strong performance, the Board of Directors recommended a final dividend of Rs. 3.00 per share, which, combined with the interim dividend of Rs. 2.75, brings the total payout for the year to Rs. 5.75 per equity share.

Valuation and Outlook

CCL Products (India) Limited continues to strengthen its positioning as a leading global private-label coffee exporter while simultaneously building a scalable branded and D2C franchise. The company delivered another year of strong execution in FY26, supported by healthy 18%-20% volume growth, improving product mix towards higher-margin freeze-dried coffee, and robust traction in branded retail and quick commerce channels. Management's FY27 guidance of 15% volume and EBITDA growth appears achievable given increasing long term contracts, healthy global demand for instant coffee, and rising premiumization trends across markets. Additionally, stabilization in green coffee prices, strong operating cash flow generation, and sharp deleveraging of the balance sheet provide further comfort on earnings visibility and financial strength. Over the medium term, key growth drivers are expected to include expansion in branded domestic business, rising contribution from online and quick commerce channels, scaling up of international brands such as Percol, and increasing penetration into non-South Indian markets. The company also retains optionality from new categories like snacks under the Malgudi brand and potential international D2C expansion into markets such as the U.S. and Vietnam. While quarterly margins may remain volatile due to product mix and coffee price movements, the structurally improving mix towards freeze-dried coffee, small packs, and branded sales should support healthy profitability over the long run. With no major CapEx planned over the next two years, improving return ratios, and debt reduction continuing steadily, CCL appears well-placed to sustain strong earnings compounding, though near-term valuations may already factor in a large part of the strong growth outlook.

Key Highlights

Particulars (Rs. Crs.)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)
Net Sales	**1,224**	**836**	**46.5%**	**1,051**	**16.6%**
Gross profit	430	371	16.1%	389	10.5%
Gross margin (%)	**35.1%**	**44.4%**	**-920 bps**	**37.1%**	**-191 bps**
EBITDA	192	163	17.5%	185	3.7%
OPM (%)	**15.7%**	**19.5%**	**-387 bps**	**17.6%**	**-194 bps**
PAT	115	102	12.4%	100	14.2%
PAT Margin	**9.4%**	**12.2%**	**-283 bps**	**9.5%**	**-19 bps**

Source: Company, BP Equities Research

Sector Outlook	Positive

Stock

CMP (Rs.)	1.123
BSE code	519600
NSE Symbol	CCL
Bloomberg	CCLP IN
Reuters	CCLP.BO

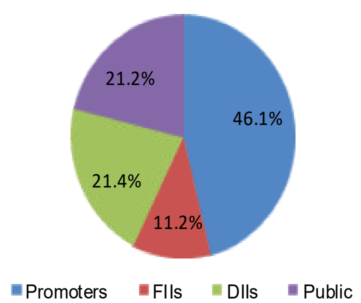
Key Data

Nifty	24,176
52 Week H/L (Rs,)	1,218/703
O/s Shares (Crs.)	13
Market Cap (Rs. Crs.)	15,048
Face Value (Rs.)	2

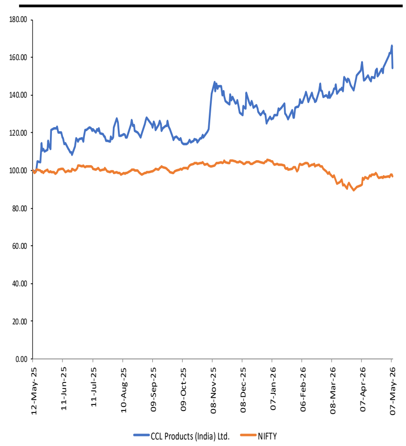
Average Volume

3 months	3,82,950
6 months	3,49,146
1 year	4,48,690

Share Holding Pattern (%)



Relative Price Chart



Research Analyst
Vyom Chheda
Vyom.chheda@bpwealth.com
022-61596158

Key Concall Highlights

Volume Growth Remains Healthy; FY27 Guidance Maintained

Management indicated that volume growth for FY26 remained in the 18%-20% range, with a similar trend seen in Q4FY26.

For FY27, the company has guided for 15% volume growth along with EBITDA growth of a similar magnitude.

Management highlighted that the moderation versus FY26 growth is due to normalization of favorable product mix benefits and efficiency gains already embedded into the base.

“Management expects around 15% volume growth and similar EBITDA growth in FY27, following strong 18%-20% volume growth in FY26.“

Margin Compression Optical; Per-Kg EBITDA Stable

Management clarified that the apparent EBITDA margin compression is largely optical due to higher coffee prices inflating topline growth.

Since the business operates on a cost-plus model, coffee price volatility does not materially impact profitability.

EBITDA per kilogram remained stable on an annual basis despite quarterly fluctuations arising from product mix variations between freeze-dried and spray-dried coffee.

“Reported margin compression is largely optical due to higher coffee prices; EBITDA per kg remains stable as the business follows a cost-plus model.”

Coffee Prices Stabilizing; Positive Industry Outlook

Management stated that green coffee prices have stabilized and could soften further with expectations of a healthy Brazilian crop.

While geopolitical tensions in the Middle East have led to some increase in freight and energy costs, the company currently does not foresee major disruptions to operations or guidance.

Balance Sheet Strengthened Significantly

The company reported substantial improvement in leverage and cash flows during FY26. Net debt reduced by over Rs. 750 crores YoY to Rs. 1,073 crores as of March 2026.

Debt-to-equity improved to 0.5x from 0.92x, while net debt-to-EBITDA declined sharply to 1.45x from 3.1x last year.

Management indicated that improving operational efficiencies and tighter working capital management contributed meaningfully to balance sheet strengthening.

“Net debt reduced by over Rs. 750 crores YoY, with net debt/EBITDA improving to 1.45x, significantly strengthening financial flexibility.”

No Major CapEx Planned Over Next Two Years

Management reiterated that existing capacities are sufficient for the next two years even under strong growth scenarios. Aggregate utilization currently stands at approximately 65%, with freeze dried facilities operating at relatively higher utilization levels.

Only maintenance CapEx of 25-35 crores annually is planned. However, management remains open to strategic tie-ups, brownfield expansion, or outsourced capacity arrangements if growth accelerates beyond expectations.

“Current capacity utilization of ~65% is sufficient to support growth over the next two years; only Rs. 25–35 crore annual maintenance CapEx is planned.”

Freeze-Dried Coffee Driving Mix Improvement

The company witnessed stronger traction in freeze-dried coffee during FY26, benefiting overall profitability as freeze-dried products carry higher margins than spray-dried coffee.

Management noted that premiumization trends in coffee consumption continue globally and domestically, supporting higher freeze-dried demand.

However, quarterly mix fluctuations may continue depending on customer ordering patterns.

“Rising share of higher-margin freeze-dried coffee continues to support margin expansion and reflects ongoing premiumization trends.”

Branded Domestic Business Scaling Rapidly

Domestic business turnover reached approximately Rs. 650 crores during FY26, of which branded retail sales contributed around Rs. 440 crores.

Management highlighted that Continental Coffee has emerged as the number three player nationally and enjoys strong positioning across several regions and online platforms.

The company continues to target approximately 25% volume growth in the branded business.

“Domestic branded business crossed Rs. 440 crores retail sales, with Continental Coffee now the #3 coffee brand in India and targeting 25% growth.”

Strong D2C and Quick Commerce Momentum

The company's D2C and online channels continue to perform strongly, contributing 20%-25% of branded sales.

Management stated that the company holds double-digit market share across several online platforms and is among the top players in certain categories.

Quick commerce sales have scaled meaningfully, crossing approximately Rs. 100 crores annually.

"Online channels contribute 20%–25% of branded sales, while quick commerce revenue has surpassed ₹100 crore annually."

Brand Investments to Continue; EBITDA to be Reinvested

Despite the branded business turning EBITDA positive (~4%-5% EBITDA margin), management intends to continue reinvesting profits into market expansion, brand building, and new categories over the next 3-4 years rather than maximizing near-term profitability.

Expansion Beyond South India Gaining Traction

The company is witnessing improving traction in North and West India, with market share gains in cities such as Delhi and Mumbai.

Management indicated that these geographies are expected to become key growth drivers over the medium term.

International Brand Expansion Underway

The company's international brand "Percol" in the U.K. has reached annual revenue of Rs. 25-30 crores.

Management aims to scale the brand to around Rs. 100 crores over the next 2-3 years and is exploring expansion into additional international markets including the U.S. and Vietnam.

"Growth is accelerating in North and West India, while the U.K. brand Percol is being scaled with plans to expand into additional overseas markets."

New Category Expansion Through "Malgudi"

Management shared positive initial feedback for its snacks brand "Malgudi," which has been piloted across select stores.

Broader launches are expected over the coming months after product refinements based on consumer feedback.

Long-Term Contracts Increasing

Management highlighted that stabilization in coffee prices has led to increased visibility and higher share of long-term contracts, especially in freeze-dried coffee, improving demand certainty and operational planning.

Tax Rate and Finance Cost Outlook

Management guided for a consolidated effective tax rate of approximately 17% going forward.

Borrowing costs currently stand at 7.2%-7.5%, and interest expenses are expected to decline meaningfully in FY27 aided by lower debt levels.

Management Commentary

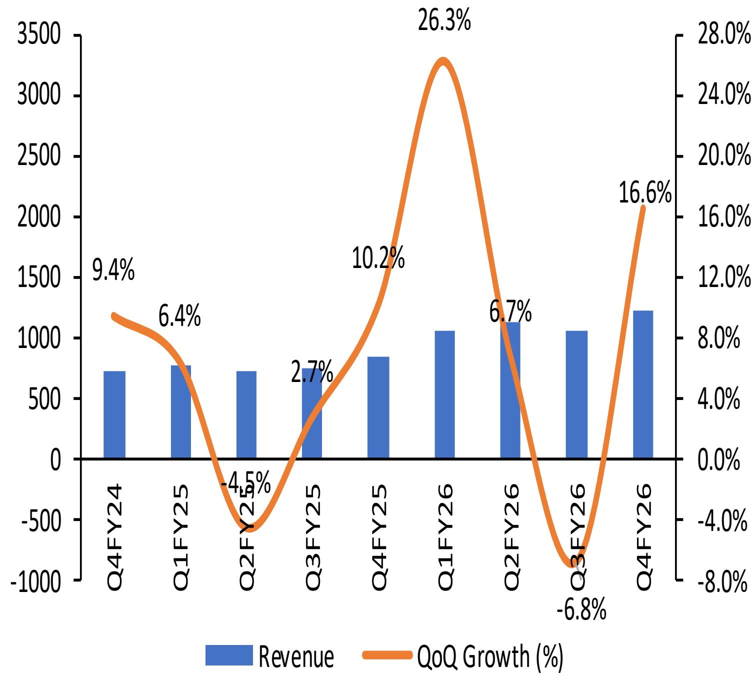
Management reiterated confidence in sustaining strong growth momentum across exports, freeze-dried coffee, branded retail, and D2C channels while maintaining balance sheet discipline.

The company emphasized that capacity constraints will not hinder growth and indicated willingness to pursue strategic solutions if demand exceeds current internal capacities.

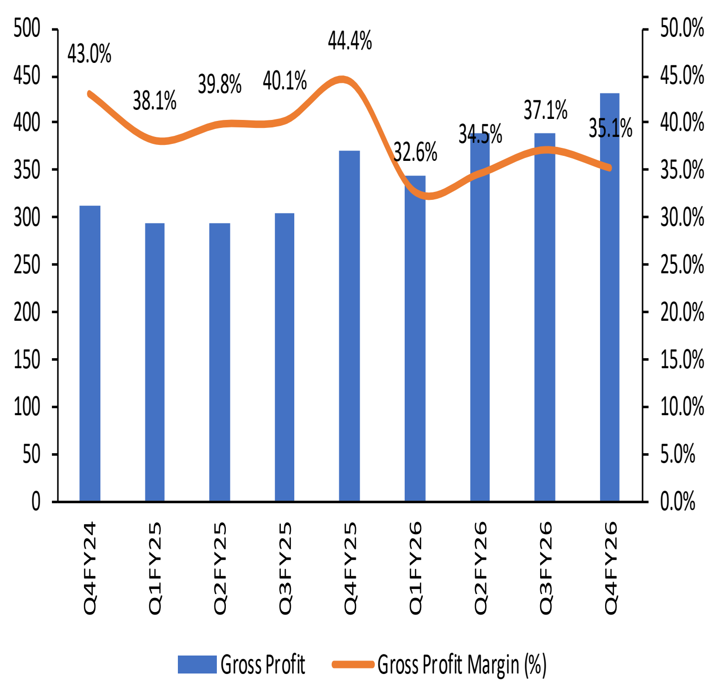
"Stabilizing green coffee prices and increasing long-term contracts improve demand visibility and support sustained growth momentum."

Quarterly Snapshot

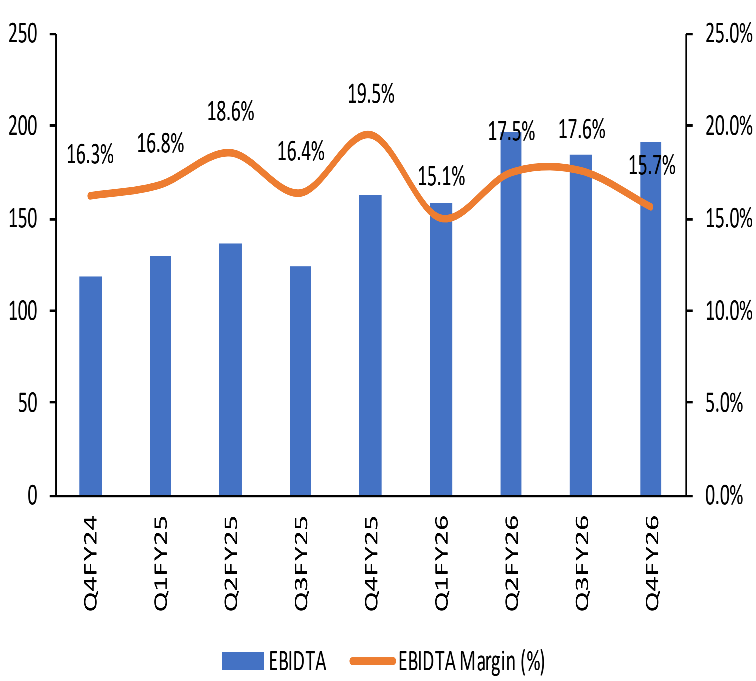
Robust revenue growth



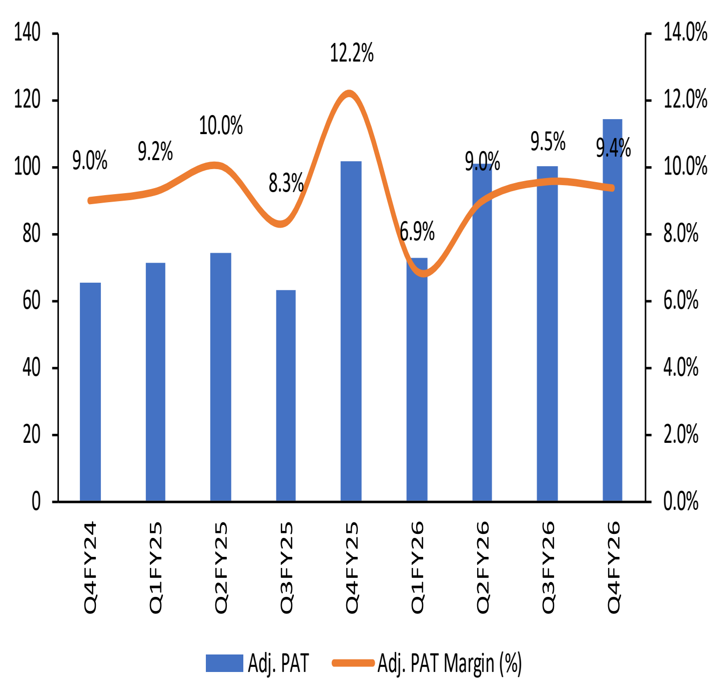
Gross margin improved on YoY basis



Improved cost discipline resulted in higher EBIDTA margins



PAT margins witnessed a dip in the PAT margins



Source: Company, BP Equities

Key Financials							
YE March (Rs. Crs.)	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
Revenue	**2,071**	**2,654**	**3,106**	**4,457**	**4,686**	**5,377**	**5,777**
Revenue Growth (Y-oY)	*41.7%*	*28.1%*	*17.0%*	*43.5%*	*5.1%*	*14.7%*	*7.4%*
EBITDA	**387**	**428**	**535**	**723**	**828**	**966**	**1,079**
EBIT Growth (Y-o-Y)	*19.3%*	*10.8%*	*25.0%*	*35.1%*	*14.6%*	*16.6%*	*11.7%*
Net Profit	**284**	**250**	**310**	**388**	**487**	**606**	**688**
Net Profit Growth (Y-o-Y)	*39.0%*	*(11.9%)*	*24.1%*	*25.1%*	*25.5%*	*24.4%*	*13.7%*
Diluted EPS	**21.2**	**18.7**	**23.2**	**29.0**	**36.3**	**45.2**	**51.4**
Diluted EPS Growth (Y-o-Y)	*39.0%*	*(11.9%)*	*24.1%*	*25.1%*	*25.5%*	*24.4%*	*13.7%*
Profitability Ratios							
EBITDA (%)	**18.7%**	**16.1%**	**17.2%**	**16.2%**	**17.7%**	**18.0%**	**18.7%**
NPM (%)	13.7%	9.4%	10.0%	8.7%	10.4%	11.3%	11.9%
ROE (%)	**19.2%**	**14.9%**	**15.8%**	**17.2%**	**18.4%**	**19.4%**	**18.6%**
ROCE (%)	13.5%	10.0%	11.5%	16.1%	18.3%	20.3%	20.0%
Valuation Ratios							
P/E (x)	**53.0x**	**60.2x**	**48.5x**	**38.8x**	**30.9x**	**24.9x**	**21.9x**
EV/EBITDA	41.1x	38.5x	31.3x	22.3x	19.1x	16.2x	14.3x
P/BV (x)	**10.2x**	**9.0x**	**7.6x**	**6.7x**	**5.7x**	**4.8x**	**4.1x**
Market Cap. / Sales (x)	7.3x	5.7x	4.8x	3.4x	3.2x	2.8x	2.6x

Source: Company, BP Equities

Research Desk **Tel: +91 22 61596138**

Institutional Sales Desk **Tel: +91 22 61596403/04/05**

Disclaimer Appendix

Analyst (s) holding in the Stock : Nil

Analyst (s) Certification:

We analysts and the authors of this report, hereby certify that all of the views expressed in this research report accurately reflect our personal views about any and all of the subject issuer (s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation (s) or view (s) in this report. Analysts aren't registered as research analysts by FINRA and might not be an associated person of the BP Equities Pvt. Ltd. (Institutional Equities).

General Disclaimer

This report has been prepared by the research department of BP EQUITIES Pvt. Ltd, is for information purposes only. This report is not construed as an offer to sell or the solicitation of an offer to buy or sell any security in any jurisdiction where such an offer or solicitation would be illegal.

BP EQUITIES Pvt. Ltd have exercised due diligence in checking the correctness and authenticity of the information contained herein, so far as it relates to current and historical information, but do not guarantee its accuracy or completeness. The opinions expressed are our current opinions as of the date appearing in the material and may be subject to change from time to time. Prospective investors are cautioned that any forward looking statement are not predictions and are subject to change without prior notice.

Recipients of this material should rely on their own investigations and take their own professional advice. BP EQUITIES Pvt. Ltd or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. BP EQUITIES Pvt. Ltd. or any of its affiliates or employees do not provide, at any time, any express or implied warranty of any kind, regarding any matter pertaining to this report, including without limitation the implied warranties of merchantability, fitness for a particular purpose, and non-infringement. The recipients of this report should rely on their own investigations.

BP EQUITIES Pvt. Ltd and/or its affiliates and/or employees may have interests/ positions, financial or otherwise in the securities mentioned in this report. Opinions expressed are our current opinions as of the date appearing on this material only. While we endeavor to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us from doing so.

This report is not directed to or intended for display, downloading, printing, reproducing or for distribution to or use by any person in any locality, state and country or other jurisdiction where such distribution, publication or use would be contrary to the law or regulation or would subject to BP EQUITIES Pvt. Ltd or any of its affiliates to any registration or licensing requirement within such jurisdiction.

Corporate Office:
4th floor,
Rustom Bldg,
29, Veer Nariman Road, Fort,
Mumbai-400001
Phone- +91 22 6159 6138
Fax-+91 22 6159 6160
Website- www.bpwealth.com

Registered Office:
24/26, 1st Floor, Cama Building,
Dalal street, Fort,
Mumbai-400001

BP Wealth Management Pvt. Ltd.
CIN No: U67190MH2005PTC154591

BP Equities Pvt. Ltd.
CIN No: U67120MH1997PTC107392