

Page Industries

05 February 2026

Operating performance steady, but muted volume trajectory warrants caution

Page Industries (PAG) 3QFY26 revenue growth was in line with expectations while operating margin and PAT were above expected. Revenue/ EBITDA/ PAT growth stood at 5.6%/ 5.2%/ 9.7% YoY respectively. Volumes grew 1.4% YoY to 58.6 mn pieces. Net realization increased by 4%, this growth was due to product mix shift to more premium items and a channel mix shift towards online platforms where the company realizes full MRP as revenue. Gross margin expanded 159 bps YoY to 57.9%. EBITDA margin declined 10 bps YoY to 22.9%. Employee cost increased 110 bps YoY and other operating expenses grew 59 bps YoY. Adjusted PAT grew 9.7% YoY to Rs 2.25 bn.

Consumer demand remained broadly subdued in 9MFY26. The improved margin performance was led by stable RM, and running a tight ship on costs, and it still intends to increase essential spends on marketing, distribution especially on D2C, EBOs and product innovation, given still low penetration rates across segments and markets. For the last few years (~3 years) company has not taken a price increase however company is now monitoring volatile input costs, particularly cotton, and may consider price adjustments if costs increase substantially. Company expects margins to remain in the range of ~19-21% moving ahead. The rising competition in the innerwear and athleisure categories remain a concern, in our view. Over FY26-28E, we have trimmed our revenue estimates by 6-8% and PAT estimates by 3-4%. We have projected operating margins of 22%/ 20.8%/ 20.9% for FY26E/ FY27E/ FY28E respectively. We have build in revenue/ EBITDA/ PAT CAGR of 7.6%/ 6.5%/ 5.8% over FY25-FY28E. We maintain our HOLD rating with a revised TP of Rs 37,748 (Rs 41,881 earlier) based on 50x Dec 2027 EPS, a ~15% discount to PAG's long-term average multiple of ~60x.

RESULT UPDATE

Sector: Apparel	Rating: HOLD
CMP: Rs 35,662	Target Price: Rs 37,748

Stock Info

Sensex/Nifty	83,313 / 25,642
Bloomberg	PAG IN
Equity shares (mn)	11.2
52-wk High/Low	Rs 50590 / 31740
Face value	Rs 10
M-Cap	Rs.384.5bn/US\$4.2bn
3-m Avg Turnover	US\$ 11.7mn

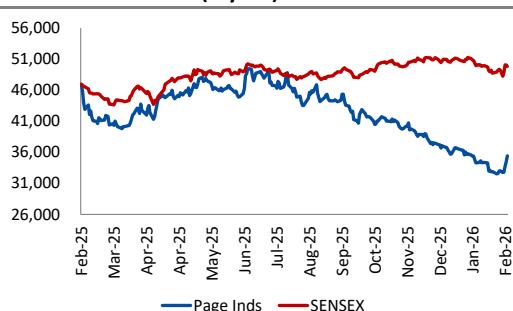
Financial Snapshot (Rs mn)

Y/E Mar	FY26E	FY27E	FY28E
Sales	51,405	55,686	61,415
PAT	7,843	7,771	8,637
EPS (Rs)	703.2	696.7	774.4
PE (x)	50.7	51.2	46.1
EV/EBITDA (x)	34.7	34.0	30.6
P/BV (x)	25.8	23.6	21.6
EV/Sales	7.6	7.0	6.4
RoE (%)	53.2	48.2	49.0
RoCE (%)	73.9	67.8	68.8
NWC (days)	55	55	55
Net gearing (x)	-	-	-

Shareholding Pattern (%)

	Dec 25	Sept 25	Jun 25
Promoter	42.9	42.9	42.9
-Pledged	-	-	-
FII	20.7	23.2	24.0
DII	30.8	28.5	27.8
Others	5.6	5.4	5.3

Stock Performance (1-year)



Chetan Mahadik
 chetanmahadik@systematixgroup.in
 +91 22 6704 8091

Vijay Jangir
 vijayjangir@systematixgroup.in
 +91 22 6704 8029

Investors are advised to refer disclosures made at the end of the research report.

- **Manufacturing strategy:** Insourcing capability moved to 64%, with outsourcing increasing to 36%. This shift was intentional and aimed at achieving cost benefits.

Distribution and channel trends

- **Online and E-commerce:** The company continues to see strong growth in e-commerce and quick commerce channels, as consumer behavior shifts from offline to online.
- **General trade challenges:** General trade has faced more pressure compared to EBOs and e-commerce, partly due to consumer sentiment and retailers managing softer demand by correcting stock levels.

Product and category insights

- **Premiumization:** The mid-premium and premium segments are outperforming entry-level products. Premium offerings, such as the bonded technology collection in innerwear and bras, have been well-received by consumers.
- **JKY Groove:** This collection has shown success and expanded from 50 to 150 EBOs in Q3, with a target of 500 EBOs by April 2026. It is currently treated as a collection rather than a standalone brand.
- **Segment performance:** Women's innerwear and leisurewear are experiencing better growth rates than men's innerwear, which remains the company's largest but toughest category.

Future outlook and strategy

- **Growth targets:** Management maintains an aspiration for double-digit volume growth. Growth is expected to come from product innovation, aggressive marketing, and deeper penetration into existing stores.
- **Margin guidance:** The company intends to maintain long-term EBITDA margins in the 19% to 21% range. They are prioritizing absolute EBITDA growth and value for consumers over chasing higher margin percentages.
- **International expansion:** Page Industries has secured licenses for the entire GCC region, adding Saudi Arabia, Kuwait, and Bahrain to its existing markets in the UAE, Oman, and Qatar.
- **Pricing strategy:** No price increases were implemented this quarter, but the company is monitoring volatile input costs, particularly cotton, and may consider price adjustments if costs increase substantially.

Exhibit 1: Quarterly performance

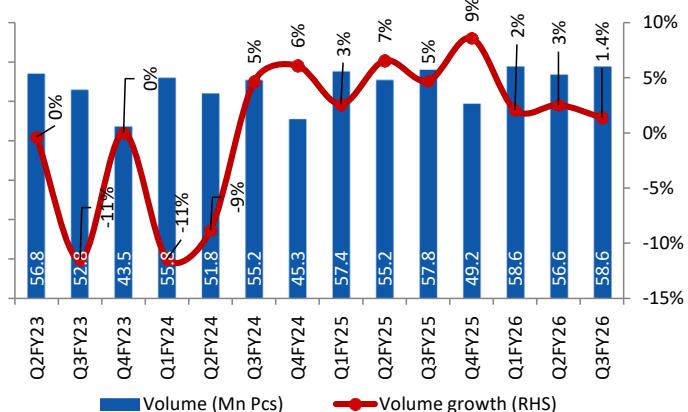
YE March (Rs mn)	Q3FY26	Q3FY25	Q2FY26	YoY (%)	QoQ (%)
Net Revenues	13,868	13,131	12,909	5.6	7.4
RM Costs	2,662	3,505	2,274	(24.0)	
(% of sales)	19.2	26.7	17.6		
Purchase of traded goods	3,171	2,227	2,898	42.4	
(% of sales)	22.9	17.0	22.4		
Employee cost	2,331	2,062	2,476	13.0	
(% of sales)	16.8	15.7	19.2		
Others	2,522	2,311	2,466	9.1	
(% of sales)	18.2	17.6	19.1		
EBITDA	3,181	3,025	2,795	5.2	13.8
EBITDA margin (%)	22.9	23.0	21.7	-10 bps	+128 bps
Other income	124	140	195		
PBIT	3,305	3,166	2,990	4.4	10.5
Depreciation	265	297	254	(10.5)	
Interest	127	119	125	6.6	
PBT	2,913	2,750	2,611	5.9	11.6
Tax	667	703	663	(5.1)	
ETR (%)	22.9	25.6	25.4		
Adjusted PAT	2,245	2,047	1,948	9.7	15.3
PATAMI margin	16.2	15.6	15.1	+61 bps	+110 bps
Extraordinary income/ (exp.)	350	0	0		
Reported PAT	1,895	2,047	1,948	(7.4)	(2.7)
No. of shares (mn)	11.2	11.2	11.2		
Adj EPS (Rs)	169.9	183.5	174.6		

Source: Company, Systematix Research

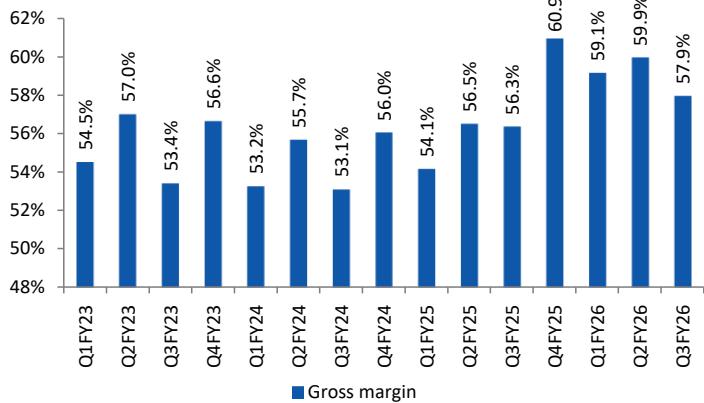
Exhibit 2: Change in estimates

	New estimates			Old estimates			Variation (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28	FY26E	FY27E	FY28E
Net Sales	51,405	55,686	61,415	52,270	58,979	66,387	-1.7%	-5.6%	-7.5%
EBITDA	11,330	11,559	12,825	11,330	12,079	13,434	0.0%	-4.3%	-4.5%
EBITDA Margin	22.0%	20.8%	20.9%	21.7%	20.5%	20.2%			
Adj. PAT	7,843	7,771	8,637	7,818	8,060	8,927	0.3%	-3.6%	-3.2%

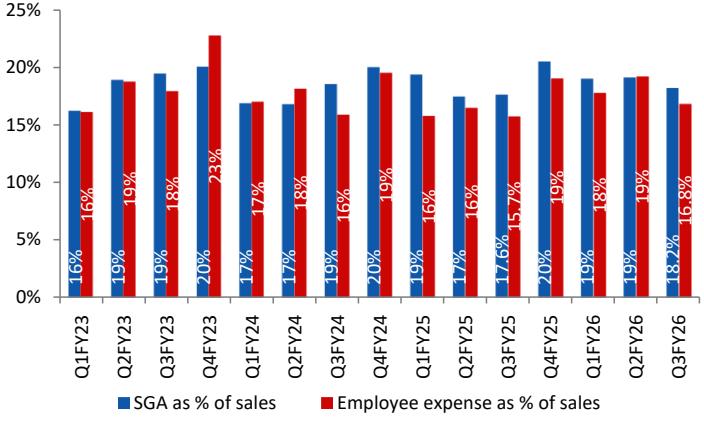
Source: Company, Systematix Research

Exhibit 3: Volumes grew 1.4% YoY

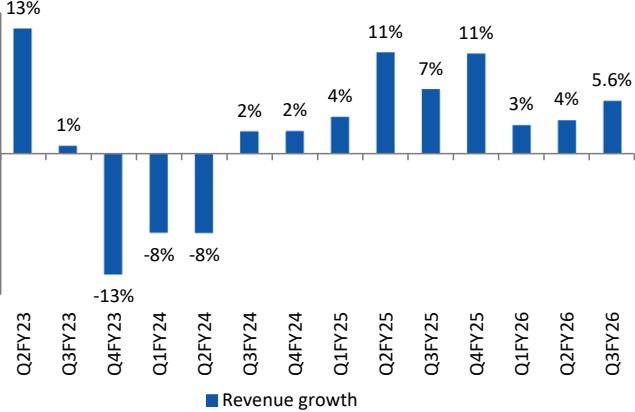
Source: Company, Systematix Research

Exhibit 5: GMs improved 160bps YoY

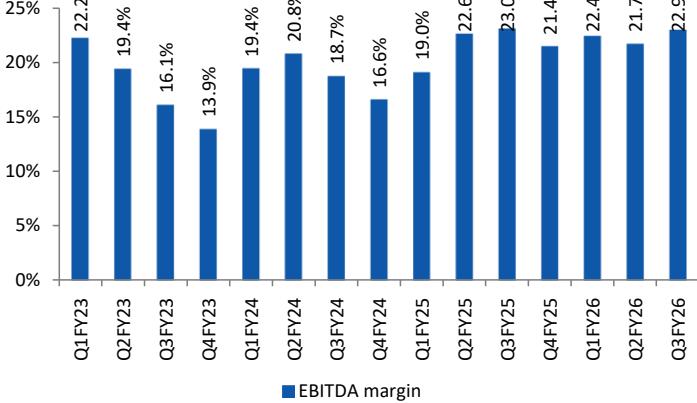
Source: Company, Systematix Research

Exhibit 7: SGA and employee expenses increased as % of sales

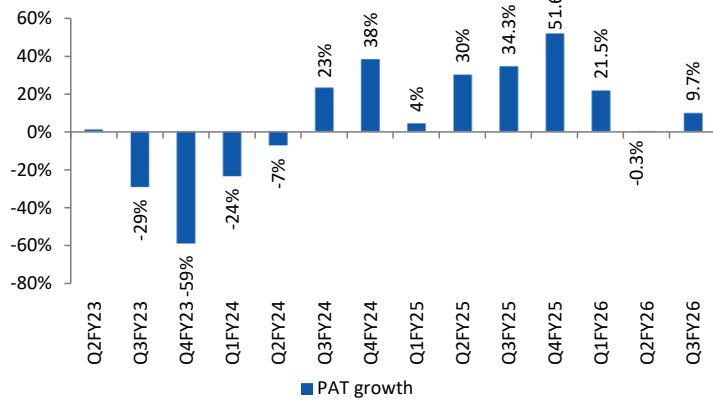
Source: Company, Systematix Research

Exhibit 4: Revenue grew 5.6% YoY

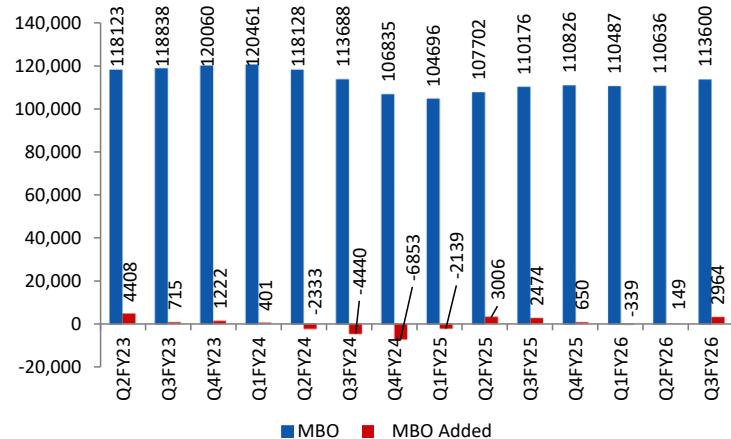
Source: Company, Systematix Research

Exhibit 6: EBITDA margin dropped by 10bps YoY

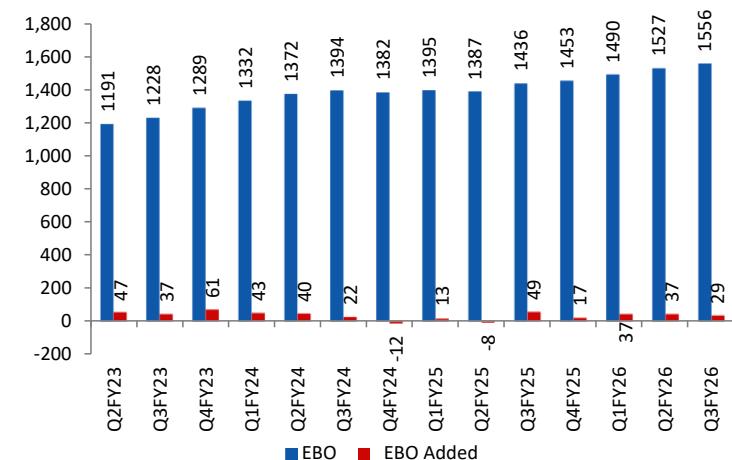
Source: Company, Systematix Research

Exhibit 8: Earnings grew by 9.7% YoY

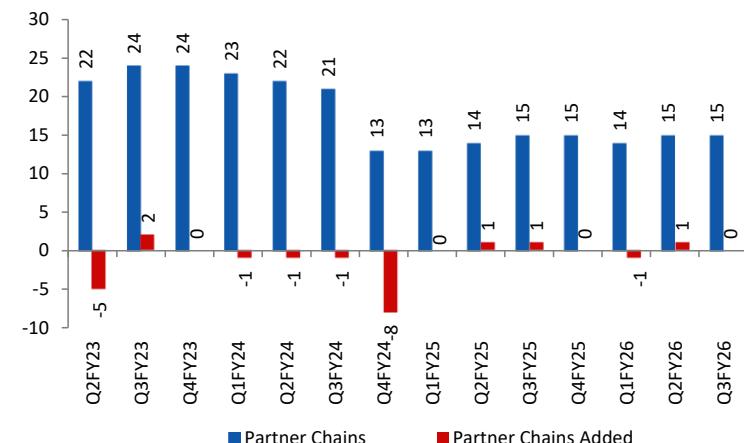
Source: Company, Systematix Research

Exhibit 9: Rationalization continued in the MBO channel

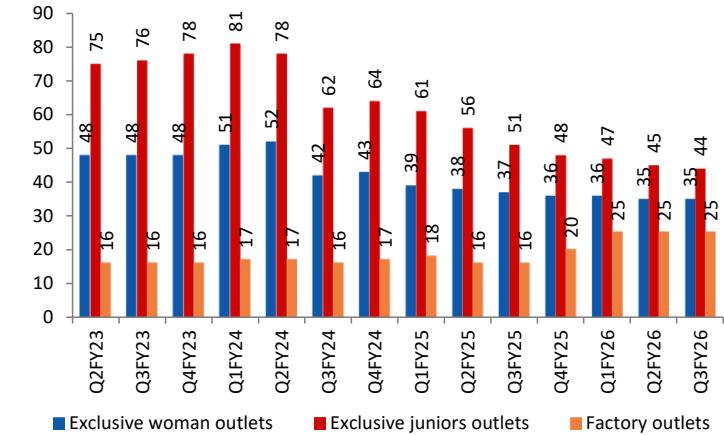
Source: Company, Systematix Research

Exhibit 10: EBO network at 1556 (added 29 EBO)

Source: Company, Systematix Research

Exhibit 11: LFS partner count stands at 15

Source: Company, Systematix Research

Exhibit 12: Strong network expansion across the product portfolio

Source: Company, Systematix Research

Exhibit 13: Currently trading at 50.8x one year forward P/E

Source: Company, Systematix Research

FINANCIALS

Profit & Loss Statement

YE: Mar (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue	45,817	49,349	51,405	55,686	61,415
Gross profit	24,971	28,045	30,278	32,353	35,744
GP margin (%)	54.5%	56.8%	58.9%	58.1%	58.2%
Operating profit	8,723	10,625	11,330	11,559	12,825
OP margin (%)	19.0%	21.5%	22.0%	20.8%	20.9%
Depreciation	908	992	1,054	1,279	1,403
EBIT	7,814	9,633	10,276	10,280	11,422
Interest expense	449	464	510	523	537
Other income	200	616	623	660	693
Profit before tax	7,565	9,786	10,389	10,417	11,578
Taxes	1,858	2,485	2,545	2,646	2,941
Tax rate (%)	24.6%	25.4%	24.5%	25.4%	25.4%
Adj. PAT	5,707	7,301	7,843	7,771	8,637
Exceptional loss	-	-	350	-	-
Net profit	5,707	7,301	7,843	7,771	8,637
EPS	512	655	703	697	774

Source: Company, Systematix Research

Balance Sheet

YE: Mar (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Equity capital	112	112	112	112	112
Reserves	15,858	13,960	15,317	16,723	18,287
Debt	-	-	-	-	-
Deferred tax liab (net)	-	-	-	-	-
Other non current liabilities	1,475	2,253	2,368	2,489	2,616
Total liabilities	17,444	16,325	17,796	19,324	21,014
Fixed Asset	5,590	5,848	6,794	7,515	8,113
Investments	-	-	-	-	-
Other Non-current Assets	4,736	5,363	5,685	6,125	6,602
Inventories	11,703	8,589	9,013	9,764	10,769
Sundry debtors	1,586	1,916	1,831	1,983	2,187
Cash & equivalents	3,210	4,714	4,936	5,276	5,849
Loans and Advances	-	-	-	-	-
Sundry creditors	2,200	2,549	3,098	3,356	3,702
Other current liabilities	7,182	7,556	7,365	7,984	8,804
Total Assets	17,444	16,325	17,796	19,324	21,014

Source: Company, Systematix Research

Cash Flow

YE: Mar (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
PBIT	8,014	10,250	10,899	10,940	12,115
Depreciation	908	992	1,054	1,279	1,403
Tax paid	(1,858)	(2,485)	(2,545)	(2,646)	(2,941)
Working capital Δ	4,052	3,508	19	(26)	(43)
Other operating items	-	-	-	-	-
Operating cashflow	11,116	12,265	9,426	9,547	10,534
Capital expenditure	(1,593)	(1,251)	(2,000)	(2,000)	(2,000)
Free cash flow	9,523	11,014	7,426	7,547	8,534
Equity raised	679	840	(350)	(0)	(0)
Investments	-	-	-	-	-
Debt financing/disposal	(2,482)	-	-	-	-
Interest Paid	(449)	(464)	(510)	(523)	(537)
Dividends paid	(4,127)	(10,039)	(6,137)	(6,364)	(7,074)
Other items	(15)	151	(206)	(319)	(350)
Net Δ in cash	3,129	1,503	222	340	573

Source: Company, Systematix Research

Ratios

YE: Mar	FY24	FY25	FY26E	FY27E	FY28E
Revenue growth (%)	-4.3	7.7	4.2	8.3	10.3
Op profit growth (%)	1.1	21.8	6.6	2.0	11.0
Net profit growth (%)	-0.1	27.9	7.4	-0.9	11.2
OPM (%)	19.0	21.5	22.0	20.8	20.9
Net profit margin (%)	12.5	14.8	15.3	14.0	14.1
RoCE (%)	49.8	68.2	73.9	67.8	68.8
RoNW (%)	38.5	48.6	53.2	48.2	49.0
EPS (Rs)	511.6	654.6	703.2	696.7	774.4
DPS (Rs)	370.0	900.0	550.2	570.6	634.2
BVPS (Rs)	1431.7	1261.6	1383.2	1509.3	1649.5
Debtor days	13	14	13	13	13
Inventory days	93	64	64	64	64
Creditor days	18	19	22	22	22
P/E (x)	69.7	54.5	50.7	51.2	46.1
P/B (x)	24.9	28.3	25.8	23.6	21.6
EV/EBITDA (x)	45.2	37.0	34.7	34.0	30.6

Source: Company, Systematix Research

DISCLOSURES/APPENDIX**I. ANALYST CERTIFICATION**

I, **Chetan Mahadik, Vijay Jangir**; hereby certify that (1) views expressed in this research report accurately reflect my/our personal views about any or all of the subject securities or issuers referred to in this research report, (2) no part of my/our compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this research report by **Systematix Shares and Stocks (India) Limited (SSSIL)** or its group/associate companies, (3) reasonable care is taken to achieve and maintain independence and objectivity in making any recommendations.

Disclosure of Interest Statement		Update
Analyst holding in the stock		No
Served as an officer, director or employee		No

I. ISSUER SPECIFIC REGULATORY DISCLOSURES, unless specifically mentioned in point no. 9 below:

1. The research analyst(s), SSSIL, associates or relatives do not have any financial interest in the company(ies) covered in this report.
2. The research analyst(s), SSSIL, associates or relatives collectively do not hold more than 1% of the securities of the company(ies) covered in this report as of the end of the month immediately preceding the distribution of the research report.
3. The research analyst(s), SSSIL, associates or relatives did not have any other material conflict of interest at the time of publication of this research report.
4. The research analyst, SSSIL and its associates have not received compensation for investment banking or merchant banking or brokerage services or any other products or services from the company(ies) covered in this report in the past twelve months.
5. The research analyst, SSSIL or its associates have not managed or co-managed a private or public offering of securities for the company(ies) covered in this report in the previous twelve months.
6. SSSIL or its associates have not received compensation or other benefits from the company(ies) covered in this report or from any third party in connection with this research report.
7. The research analyst has not served as an officer, director or employee of the company(ies) covered in this research report.
8. The research analyst and SSSIL have not been engaged in market making activity for the company(ies) covered in this research report.
9. Details of SSSIL, research analyst and its associates pertaining to the companies covered in this research report:

Sr. No.	Particulars	Yes / No.
1	Whether compensation was received from the company(ies) covered in the research report in the past 12 months for investment banking transaction by SSSIL.	No
2	Whether research analyst, SSSIL or its associates and relatives collectively hold more than 1% of the company(ies) covered in the research report.	No
3	Whether compensation has been received by SSSIL or its associates from the company(ies) covered in the research report.	No
4	Whether SSSIL or its affiliates have managed or co-managed a private or public offering of securities for the company(ies) covered in the research report in the previous twelve months.	No
5	Whether research analyst, SSSIL or associates have received compensation for investment banking or merchant banking or brokerage services or any other products or services from the company(ies) covered in the research report in the last twelve months.	No

10. There is no material disciplinary action taken by any regulatory authority that impacts the equity research analysis activities.

STOCK RATINGS

BUY (B): The stock's total return is expected to exceed 15% over the next 12 months.

HOLD (H): The stock's total return is expected to be within -15% to +15% over the next 12 months.

SELL (S): The stock's total return is expected to give negative returns of more than 15% over the next 12 months.

NOT RATED (NR): The analyst has no recommendation on the stock under review.

INDUSTRY VIEWS

ATTRACTIVE (AT): Fundamentals/valuations of the sector are expected to be attractive over the next 12-18 months.

NEUTRAL (NL): Fundamentals/valuations of the sector are expected to neither improve nor deteriorate over the next 12-18 months.

CAUTIOUS (CS): Fundamentals/valuations of the sector are expected to deteriorate over the next 12-18 months.

II. DISCLAIMER

The information and opinions contained herein have been compiled or arrived at based on the information obtained in good faith from sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy completeness or correctness.

This document is for information purposes only. This report is based on information that we consider reliable; we do not represent that it is accurate or complete and one should exercise due caution while acting on it. Description of any company(ies) or its/their securities mentioned herein are not complete and this document is not and should not be construed as an offer or solicitation of an offer to buy or sell any securities or other financial instruments. Past performance is not a guide for future performance, future returns are not guaranteed and a loss of original capital may occur. All opinions, projections and estimates constitute the judgment of the author as on the date of the report and these, plus any other information contained in the report, are subject to change without notice. Prices and availability of financial instruments are also subject to change without notice. This report is intended for distribution to institutional investors.

This report is not directed to or intended for display, downloading, printing, reproducing or for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, reproduction, availability or use would be contrary to law or regulation or what would subject to SSSIL or its affiliates to any registration or licensing requirement within such jurisdiction. If this report is inadvertently sent or has reached any individual in such country, especially USA, the same may be ignored and brought to the attention of the sender. Neither this document nor any copy of it may be taken or transmitted into the United States (to U.S. persons), Canada, or Japan or distributed, directly or indirectly, in the United States or Canada or distributed or redistributed in Japan or to any resident thereof. Any unauthorized use, duplication, redistribution or disclosure of this report including, but not limited to, redistribution by electronic mail, posting of the report on a website or page, and/or providing to a third party a link,

is prohibited by law and will result in prosecution. The information contained in the report is intended solely for the recipient and may not be further distributed by the recipient to any third party.

SSSL generally prohibits its analysts, persons reporting to analysts, and members of their households from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover. Additionally, SSSL generally prohibits its analysts and persons reporting to analysts from serving as an officer, director, or advisory board member of any companies that they cover. Our salespeople, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein. Our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. The views expressed in this research report reflect the personal views of the analyst(s) about the subject securities or issues and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report. The compensation of the analyst who prepared this document is determined exclusively by SSSL; however, compensation may relate to the revenues of the Systematix Group as a whole, of which investment banking, sales and trading are a part. Research analysts and sales persons of SSSL may provide important inputs to its affiliated company(ies).

Foreign currencies denominated securities, wherever mentioned, are subject to exchange rate fluctuations which could have an adverse effect on their value or price or the income derived from them. In addition, investors in securities such as ADRs, the values of which are influenced by foreign currencies, effectively assume currency risk. SSSL, its directors, analysts or employees do not take any responsibility, financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on the basis of this report including but not restricted to fluctuation in the prices of shares and bonds, changes in the currency rates, diminution in the NAVs, reduction in the dividend or income, etc.

SSSL and its affiliates, officers, directors, and employees subject to the information given in the disclosures may: (a) from time to time, have long or short positions in, and buy or sell, the securities thereof, of company (ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation (financial interest) or act as a market maker in the financial instruments of the company (ies) discussed herein or act as advisor or lender / borrower to such company (ies) or have other potential material conflict of interest with respect to any recommendation and related information and opinions. The views expressed are those of the analyst and the company may or may not subscribe to the views expressed therein.

SSSL, its affiliates and any third party involved in, or related to, computing or compiling the information hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of this information. Without limiting any of the foregoing, in no event shall SSSL, any of its affiliates or any third party involved in, or related to, computing or compiling the information have any liability for any damages of any kind. The company accepts no liability whatsoever for the actions of third parties. The report may provide the addresses of, or contain hyperlinks to, websites. Except to the extent to which the report refers to website material of the company, the company has not reviewed the linked site. Accessing such website or following such link through the report or the website of the company shall be at your own risk and the company shall have no liability arising out of, or in connection with, any such referenced website.

SSSL will not be liable for any delay or any other interruption which may occur in presenting the data due to any technical glitch to present the data. In no event shall SSSL be liable for any damages, including without limitation, direct or indirect, special, incidental, or consequential damages, losses or expenses arising in connection with the data presented by SSSL through this presentation.

SSSL or any of its other group companies or associates will not be responsible for any decisions taken on the basis of this report. Investors are advised to consult their investment and tax consultants before taking any investment decisions based on this report.

Registration granted by SEBI to SSSL and certification from NISM to the analyst in no way guarantee performance of SSSL or to provide any assurance of returns to investors.



Systematix Shares and Stocks (India) Limited:

Registered and Corporate address: The Capital, A-wing, No. 603 – 606, 6th Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051

Tel no. 022-66198000/40358000 Fax no. 022-66198029/40358029 Email id contactus@systematixgroup.in. Visit us at: www.systematixgroup.in

Details of Compliance officer: Ms Nipa Savla, Compliance officer Tel no. 022-66198092/4035808092 Email id compliance@systematixgroup.in

Details of Email id grievance redressal cell : grievance@systematixgroup.in

Details of Registration : CIN - U65993MH1995PLC268414 | BSE SEBI Reg. No.: INZ000171134 (Member Code: 182) | NSE SEBI Reg. No.: INZ000171134 (Member Code: 11327) | MCX SEBI Reg. No.: INZ000171134 (Member Code: 56625) | NCDEX SEBI Reg. No.: INZ000171134 (Member Code: 1281) | Depository Participant SEBI Reg. No.: IN-DP-480-2020 (DP Id: 12034600) | PMS SEBI Reg. No.: INP000002692 | Research Analyst SEBI Reg. No.: INH200000840