

**GODREJ CONSUMER**

*Good show, but acquisition integration a key challenge*

- Q4FY10 profit surpasses expectations; EBITDA margin jumps 154bps**  
 Godrej Consumer's (GCPL) Q4FY10 revenues were in line, while profits were better than expectations. Consolidated revenues jumped 48% to INR 5 bn (versus our expectation of INR 5 bn). EBITDA increased 59.7% to INR 1 bn. EBITDA margins expanded 154bps. COGS deflation contributed 614bps to margin expansion, which was offset by 232bps increase in advertising and sales promotion (A&P) and 290bps increase in other expenses. Staff expenses, however, dipped 62bps. PAT increased 54.6% to INR 918 mn (versus our expectation of INR 840 mn).
- Megasari and Tura acquisition costs not disclosed**  
 Acquisition prices of Megasari and Tura were not disclosed due to confidentiality reasons. Megasari had sales of INR 5,500 mn last year with a profit of INR 500 mn. Growth and EBITDA margins are similar to Indian operations.
- More international acquisition(s) on the cards**  
 GCPL's focus will be on expanding different categories like personal wash, hair care, and home care in emerging markets. Latin America is on the company's radar, but it will wait for EPS accretive acquisitions.
- Focus on domestic business continues**  
 GCPL highlighted that it is focusing on the domestic business, which continues to grow, albeit at a slower pace than in FY10. Lower SKUs have done extremely well and will continue to drive penetration and growth for various categories.
- Outlook and valuations: High debt a concern; maintain 'BUY'**  
 Although acquisitions will provide some upside to EPS estimates, we believe, there could be some concerns on the company's proposed capital raising in light of further acquisitions. We continue to monitor GCPLs recent acquisitions integration and the Debt/Equity ratio. High base in domestic business from last year will be another factor limiting the stock's performance.

We have revised up our FY11 and FY12 EPS estimates by 15% and 12% to INR 14.2 and INR 16.4, respectively, to factor in Megasari and Tura acquisitions. We maintain **'BUY'** recommendation on the stock, and rate it **'Sector Performer'** on a relative return basis.

**Financials**

Year to March	Q410	Q409	% Change	Q310	% Change	FY10	FY11E
Net rev. (INR mn)	5,092	3,439	48.1	5,176	(1.6)	20,412	29,300
EBITDA (INR mn)	1,075	673	59.7	1,014	6.0	4,073	5,924
Net profit (INR mn)	918	594	54.6	851	7.8	3,396	4,360
Diluted EPS (INR)	3.0	2.3	29.5	3.3	(10.1)	11.0	14.2
Diluted P/E (x)						27.1	21.1
EV/EBITDA (x)						22.2	15.6
ROAE (%)						54.8	58.7

May 10, 2010

Reuters: GOCP.BO Bloomberg: GCPL IN

**EDELWEISS 4D RATINGS**

Absolute Rating	<b>BUY</b>
Rating Relative to Sector	<b>Performer</b>
Risk Rating Relative to Sector	<b>High</b>
Sector Relative to Market	<b>Overweight</b>

Note:

Please refer last page of the report for rating explanation

**MARKET DATA**

CMP	:	INR 298
52-week range (INR)	:	340 / 139
Share in issue (mn)	:	308.2
M cap (INR bn/USD mn)	:	93 / 2,063
Avg. Daily Vol. BSE/NSE ('000):	:	211.2

**SHARE HOLDING PATTERN (%)**

Promoters*	:	73.5
MFs, FIs & Banks	:	1.1
FIIIs	:	16.6
Others	:	8.8
* Promoters pledged shares (% of share in issue)	:	3.2

**PRICE PERFORMANCE (%)**

	Stock	Nifty	EW FMCG Index
1 month	9.1	(6.6)	(0.6)
3 months	21.9	5.5	4.1
12 months	117.8	36.2	39.8

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- **Key takeaways from the analyst meet**

**Megasari:** Acquisition price was not disclosed due to confidentiality reasons. GCPL, however, mentioned that Megasari posted sales of INR 5,500 mn last year with a profit of INR 500 mn. It is a good growth business (more than 20% top line growth) with EBITDA margins similar to the Indian operations. The acquisition provides a platform to launch other GCPL home care and personal care products in Indonesia and it also enables the company to leverage its strength in the insecticides and air care market. The company expects 20% revenue from the Indonesia market. It does not intend to bring Megasari brands to India in the near future.

**African business:** GCPL will focusing on 'One Africa' strategy to integrate the operational business in Africa. The company will work in the hub and spoke model in Africa with four hubs, each in West, East, South, and Central Africa. The company will majorly focus on Angola, Mozambique, Zambia, Zimbabwe, Malawi, Kenya, Tanzania, The Democratic Republic Congo, Gabon, Ghana, Nigeria, Botswana, Namibia, Swaziland, and Lesotho.

**Tura:** Acquisition price was not disclosed due to confidentiality reasons. GCPL, however, highlighted that it was a relatively small business and the acquisition is EPS accretive in the very first year.

**Other international businesses:** Keyline, Rapidol, and Kinky continued to post robust growth at 25%, 50%, and 30%, respectively. GCPL could bring the *Kinky* brand to India in the near future. Robust Keyline growth was also helped by the H1N1 virus scare last year. *Cuticura* grew 83% in FY10 and is the market leader in volume terms. Rapidol enjoys a market share of ~90% in ethnic hair colour and GCPL is not planning to bring these products to India in the near future.

**Domestic businesses:** GCPL highlighted that it is focusing on the domestic business which continues to grow, albeit at a slower pace than in FY10. Due to the limited acquisition opportunities in India, the company is looking for international acquisitions to drive future growth.

**Lower price SKUs:** Lower SKUs have done extremely well and will continue to drive penetration and growth for various categories.

**International acquisitions:** The company will keep a look out for opportunities to enter different categories like personal wash, hair care, and home care, but maintain 'Health and Hygiene' as the major platform. GCPL will look for more acquisitions in emerging markets which have similar demographic profiles and behavior. Latin America is its next target, but the company will wait for the suitable opportunity before making any acquisition so that the acquisitions are EPS accretive. GCPL will retain the local management in most cases and add 1-4 managers from India. It is confident that it can handle more than one acquisition.

**Strategy:** GCPL believes that maintaining high ROCE results in loss of good business opportunities. Hence, its primary focus will be on EVA, which in turn will help in shareholders' value creation. The company will use the cash on books first and then will raise debt, if needed for the acquisition.

**Raw material:** Raw material like palm oil is mostly sourced domestically now and hence, prices (including import duty) are benign. INR appreciation against USD also helped in keeping the overall raw material costs down.

**GST:** Implementation of GST will positively impact the company. According to the management this will lead to fall in average tax rate (~5%) and will also eliminate unfair competition from local players. The company will save 1-2% (as a % of sales) in logistics cost.

**Soaps:** GCPL's market share was 10.3% in FY10 with volume share at 12.3%. Brand spending increased in the ~50-60% range in FY10. The category had high base effect.

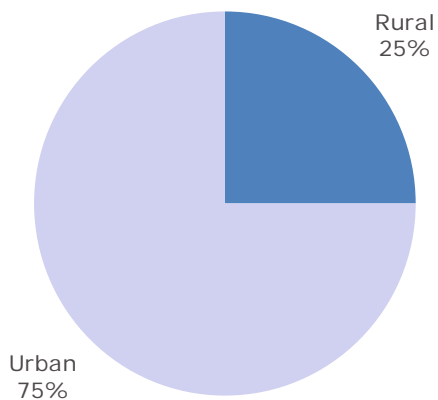
**Hair colour:** Black colour accounts for 85% of the hair colour market and the balance is for other colours. In FY10, for the first time, GCPL far exceeded industry growth. The category still offers high opportunity as penetration levels are still less than 30%. The company is planning to make a niche for itself in the premium hair colour space, which remains a weakness for the time being.

**Advertising and Sales Promotion (A&P):** A&P spend will continue at last year's levels.

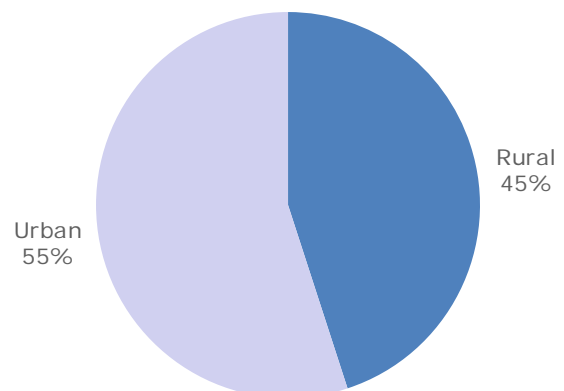
- **Other highlights**

Though rural areas contribute ~25% of the sales for GCPL, it is responsible for 45% of the growth of the overall domestic business.

**Chart 1: Salience as % of sales**



**Chart 2: Contribution to % growth in sales**

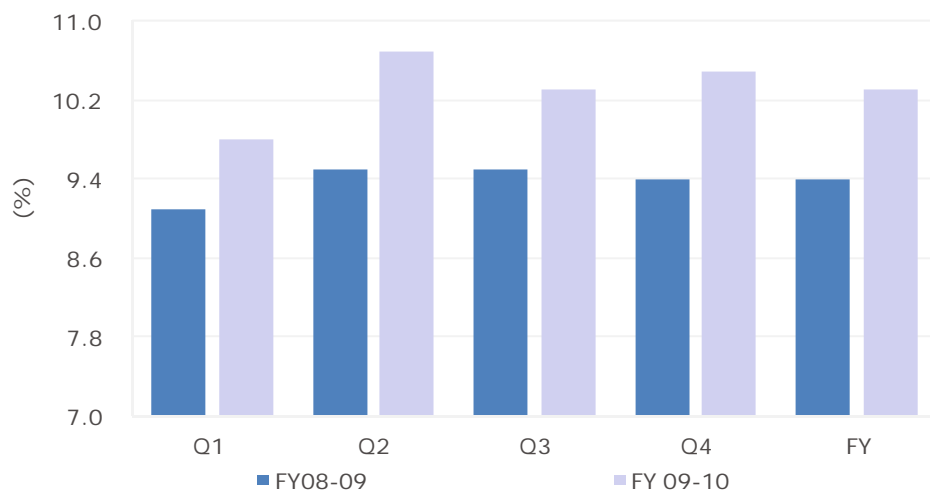


Source: Company, Edelweiss research

**Domestic business**

**Soaps:** In FY10, *Godrej No. 1 Lime and Aloe Vera* and *Godrej No 1* moisturizing soap were launched. *Godrej No. 1* was relaunched in April 2010 in a new shape, packaging and with natural oils. *Cinthol Regular* was launched in small packs, priced at INR 6.

**Chart 3: Soaps market share trend**



Source: Company, Edelweiss research

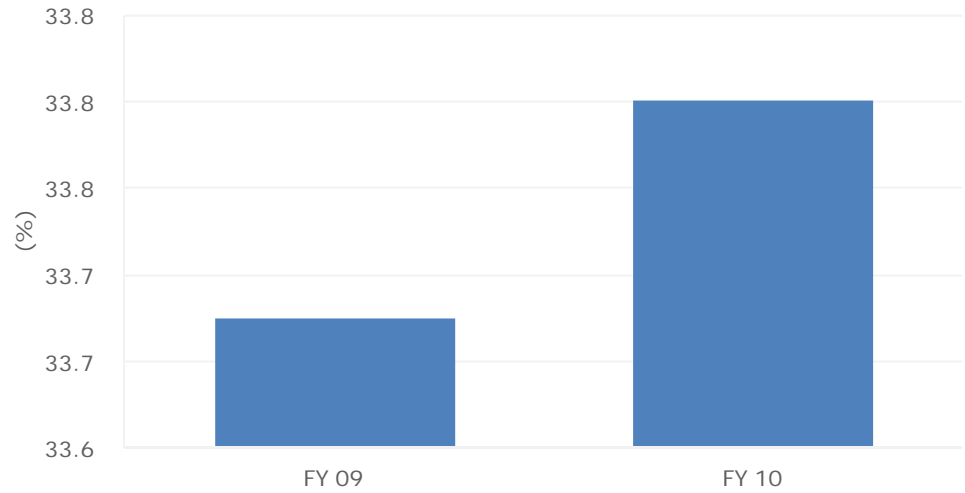
**Table 1: Soaps market share trend-FMCG**

Company	Q4FY09	Q4FY10	Change (%)	FY09	FY10	Change (%)
HUL	48.2	44.6	(3.6)	49.9	45.0	(4.9)
GCPL	9.4	10.5	1.1	9.4	10.3	0.9
Wipro	8.5	9.0	0.5	8.3	8.8	0.5
Reckitt	6.1	6.8	0.7	6.5	7.3	0.8
Nirma	4.6	4.3	(0.3)	4.7	4.4	(0.3)
ITC	2.4	3.7	1.3	1.8	3.0	1.2

Source: Company

**Hair colorants:** *Godrej Nupur Mehendi* was relaunched in a new and improved formulation. New shades of *Godrej Renew Plum Crazy* and *Wine Red* evinced strong consumer interest.

**Chart 4: Hair colour market share trend**



Source: Company, Edelweiss research

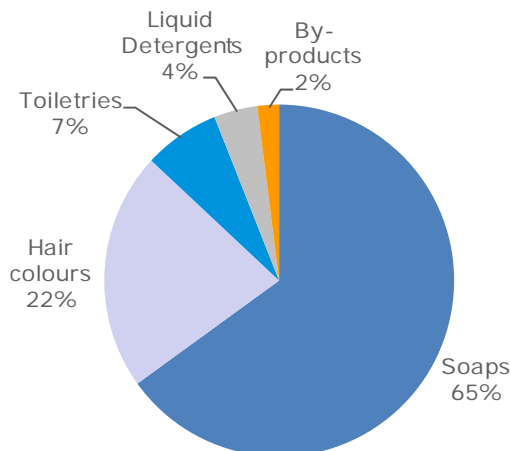
**Toiletries:** In FY10, *Cinthol* skin protection talc, *Godrej Protekt*–hand sanitizers, hand wash and wipes were launched. *Cinthol* brand portfolio has been extended with the launch of two new deo sprays *Rainstorm* and *Unleash* during FY10.

**International business**

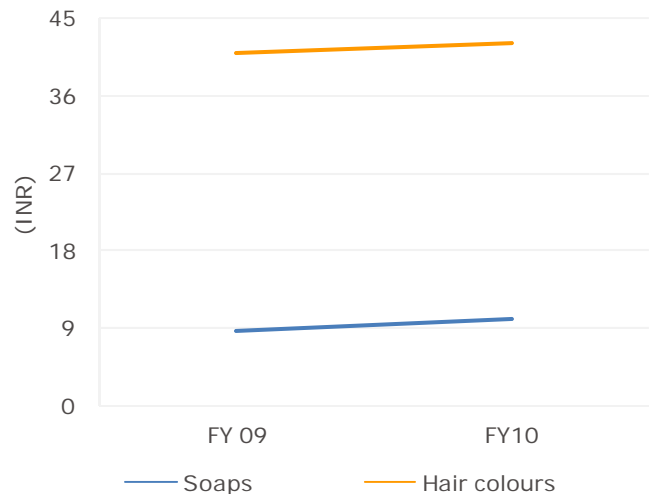
**UK:** Revenues for Keyline grew by 9% and PAT grew by 39% for FY10. *Cuticura* registered a strong growth of 83% during FY10. *New Cuticura* 50 ml and 1,000 ml SKUs were rolled out to new retail chains.

**Africa:** Operational integration of Kinky and Rapidol under a single management has been completed and has started reaping synergy benefits. The “Inecto” Powder Hair Colors (PHC) range has been well accepted. *Renew Hair Colors* marketed and distributed in South Africa continue to do well. GCPL introduced *Godrej No. 1* soap in South Africa through wholesale channels and launched two new colours in the Inecto range. The *Evolution* range of hair pieces was launched to address the mass market segment. Distribution of Kinky products extended further in wholesale channels. Revenues for Rapidol grew 42% for FY10. Revenues for Kinky grew 40% for FY10.

**Chart 5: Sales mix (Standalone) FY10**



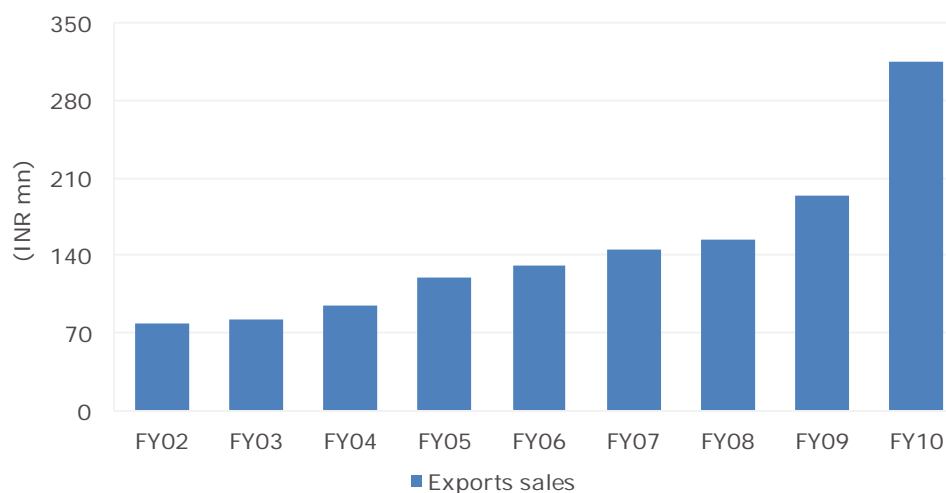
**Chart 6: Value market share**



Source: Company, Edelweiss research

Exports surged 63% in FY10 to INR 316 mn.

Chart 7: Exports sales



Source: Company, Edelweiss research

Financial snapshot

	(INR mn)							
Year to March	Q410	Q409	% Change	Q310	% Change	FY10	FY11E	FY12E
Total revenues	5,092	3,439	48.1	5,176	(1.6)	20,412	29,300	34,525
COGS	2,268	1,743	30.1	2,459	(7.8)	9,463	14,503	17,090
Staff costs	327	242	34.9	601	(45.7)	1,877	1,940	2,424
Advt and publicity	345	153	125.2	433	(20.2)	1,721	3,401	4,007
Other expenditure	1,077	628	71.6	668	61.2	3,278	3,532	4,037
Total expenditure	4,017	2,766	45.2	4,162	(3.5)	16,339	23,376	27,557
EBITDA	1,075	673	59.7	1,014	6.0	4,073	5,924	6,968
Interest	27	48	(43.8)	20	33.7	111	322	459
Depreciation	61	40	50.0	56	8.4	236	300	366
Other income	122	103	18.4	111	10.4	473	100	110
PBT	1,110	688	61.3	1,049	5.8	4,199	5,402	6,253
Tax	192	101	90.9	198	(2.7)	803	1,042	1,207
PAT before exceptionals	918	587	56.3	851	7.8	3,396	4,360	5,046
Tax adj. in respect of prev. years	0	6	(100.0)	0	NM	0	0	0
Net profit	918	594	54.6	851	7.8	3,396	4,360	5,046
Equity capital (FV INR 1)	308	258		257		308	308	308
No. of shares (mn)	308	258		257		308	308	308
EPS (INR)	3.0	2.3	29.5	3.3		11.0	14.2	16.4

As % of net revenues

COGS	44.5	50.7	(6.14)	47.5		46.4	49.5	49.5
Staff expenses	6.4	7.0	(0.62)	11.6		9.2	6.6	7.0
ASP	6.8	4.5	2.32	8.4		8.4	11.6	11.6
Others	21.2	18.3	2.90	12.9		16.1	12.1	11.7
EBITDA	21.1	19.6	1.54	19.6		20.0	20.2	20.2
Net profit	18.0	17.1		16.4		16.6	14.9	14.6
Tax rate	17.3	14.6		18.8		19.1	19.3	19.3

- **Company Description**

GCPL is a major player in the toilet soap and hair colour categories in the Indian FMCG market. It is a leader in the hair colour category and has a vast product range across various price points. Its brands include *Godrej Hair Dye* (liquid and powder), *Godrej Kesh Kala* oil, and *Nupur* hair dyes at the lower end, and *Renew* and *Coloursoft* at the higher end. It is the second-largest toilet soap marketer after Hindustan Unilever (HUL) with a ~10% market share. Its primary brands in the toilet soap market are *Godrej No. 1*, *Cinthol*, and *FairGlow*.

GCPL completed the acquisition of 49% stake in Godrej Sara Lee Limited w.e.f. June 1, 2009. Godrej Sara Lee has under its portfolio several leading brands such as GoodKnight, JET, HIT, Ambipur, Brylcreem and KIWI. Godrej Sara Lee's portfolio offers significant synergies to GCPL's portfolio and all the brands are performing well.

To expand its geographical presence, GCPL has made acquisitions in the past few years. In FY06, it acquired *Keyline* brands in the UK, with brands such as *Cuticura* and *Erasmic* at its disposal. In FY07, it acquired Rapidol, a South African company with presence across ten countries in Africa. It has recently acquired Kinky, one of the leaders in South African hair business for South African Rand 265 mn. Kinky offers a variety of products viz. hair braids, hair pieces, wigs and wefted pieces. *Tura* and *Megasari* were also recently acquired to increase presence in Africa and Indonesia, respectively.

- **Investment Theme**

GCPL boasts of a patented technology for PHDs that has helped it drive usage of hair colours at the lower end of the market. The company also provides high-quality value-for-money soap brands, which has helped it garner market share. GCPL's aggressive stance to take its operations to the international platform has resulted in several acquisitions in past three years. The company can be expected to benefit from its new ventures, increasing consumer spending and inorganic growth, going forward.

- **Key Risks**

GCPL's ability to gain market share in its soap segment could be adversely impacted due to right pricing by HUL especially of its low end soap brand, *Breeze*. Intensifying competition could result in aggressive price war, which could impact GCPL's pricing.

The entry of players such as L'oreal and Schwarzkopf has put pressure on GCPL's hair colour business because of which it has been losing market share at the top end of the market. Entry of more foreign players could worsen the situation.

Some of the recent international acquisitions are still at the integration stages. GCPL needs to successfully integrate these businesses to prove its execution capabilities.

## Financial Statements

<b>Income statement</b>					<b>(INR mn)</b>
Year to March	FY08	FY09	FY10	FY11E	FY12E
Gross revenues	11,330	14,352	20,252	30,258	35,657
Excise duties	305	423	618	958	1,133
Net revenue	11,026	13,930	20,412	29,300	34,525
Materials costs	5,184	7,668	9,463	14,503	17,090
Gross profit	5,842	6,262	10,949	14,796	17,435
Employee costs	725	865	1,877	1,940	2,424
Other expenses	1,662	1,981	3,278	3,532	4,037
Advertisement & sales costs	1,310	1,379	1,721	3,401	4,007
EBITDA	2,145	2,037	4,073	5,924	6,968
Depreciation & Amortization	182	192	236	300	366
EBIT	1,963	1,845	3,837	5,624	6,602
Other income	40	88	473	100	110
EBIT incl. other income	2,004	1,933	4,310	5,724	6,712
Interest expenses	129	(159)	111	322	459
Profit before tax	1,875	2,092	4,199	5,402	6,253
Provision for tax	283	366	803	1,042	1,207
Core profit	1,592	1,726	3,396	4,360	5,046
Prior period adjustments (net)	-	6	-	-	-
Profit after tax	1,592	1,733	3,396	4,360	5,046
Profit after minority interest	1,592	1,733	3,396	4,360	5,046
Basic shares outstanding (mn)	226	257	308	308	308
Basic EPS (INR)	7.1	6.7	11.0	14.2	16.4
Diluted equity shares (mn)	226	257	308	308	308
Diluted EPS (INR)	7.1	6.7	11.0	14.2	16.4
CEPS (INR)	7.9	7.6	11.8	15.1	17.6
Dividend per share (INR)	4.1	4.0	6.4	8.3	9.6
Dividend payout (%)	60.2	62.9	35.5	52.7	59.0

<b>Common size metrics</b>					
Year to March	FY08	FY09	FY10	FY11E	FY12E
Materials costs	47.0	55.0	46.4	49.5	49.5
Employee expenses	6.6	6.2	9.2	6.6	7.0
Advertising & sales costs	11.9	9.9	8.4	11.6	11.6
Other expenses	15.1	14.2	16.1	12.1	11.7
Depreciation	1.6	1.4	1.2	1.0	1.1
Interest expenditure	1.2	(1.1)	0.5	1.1	1.3
EBITDA margins	19.5	14.6	20.0	20.2	20.2
EBIT margins	17.8	13.2	18.8	19.2	19.1
Net profit margins	14.4	12.4	16.6	14.9	14.6

<b>Growth ratios (%)</b>					
Year to March	FY08	FY09	FY10	FY11E	FY12E
Revenues	15.7	26.3	46.5	43.5	17.8
EBITDA	19.4	(5.0)	99.9	45.4	17.6
PBT	18.3	11.6	100.7	28.6	15.8
Net profit	18.7	8.4	96.7	28.4	15.7
EPS	18.7	(4.7)	64.1	28.4	15.7



**Balance sheet****(INR mn)**

As on 31 <sup>st</sup> March	FY08	FY09	FY10E	FY11E	FY12E
Equity capital	226	257	257	257	257
Reserves & surplus	1,490	5,412	6,479	7,861	9,462
Shareholders funds	1,716	5,668	6,736	8,118	9,719
Secured loans	921	2,296	2,296	10,296	10,296
Unsecured loans	950	480	480	480	480
Borrowings	1,871	2,776	2,776	10,776	10,776
Deferred tax (net)	89	42	42	42	42
<b>Sources of funds</b>	<b>3,676</b>	<b>8,486</b>	<b>9,553</b>	<b>18,936</b>	<b>20,536</b>
Gross block	2,937	3,370	3,840	7,602	8,522
Depreciation	1,253	1,098	993	945	963
Net block	1,683	2,272	2,847	6,657	7,559
Capital work in progress	716	25	25	25	25
Intangible assets	956	2,086	2,086	2,086	2,086
Investments	-	75	75	75	75
Inventories	1,916	1,675	2,786	4,157	4,898
Sundry debtors	510	602	995	1,485	1,750
Cash and equivalents	426	3,783	4,520	10,445	11,352
Loans and advances	668	1,268	1,178	1,178	1,178
Total current assets	3,519	7,327	9,478	17,265	19,177
Sundry creditors and others	2,904	2,919	4,577	6,791	8,006
Provisions	323	380	380	380	380
Total current liabilities & provisions	3,228	3,299	4,957	7,171	8,386
Net current assets	291	4,029	4,521	10,093	10,791
Miscellaneous expenditure	29	-	-	-	-
<b>Uses of funds</b>	<b>3,676</b>	<b>8,486</b>	<b>9,553</b>	<b>18,936</b>	<b>20,536</b>
Book value per share (INR)	7.6	22.1	21.9	26.4	31.6

**Free cash flow****(INR mn)**

Year to March	FY08	FY09	FY10E	FY11E	FY12E
Net profit	1,592	1,733	3,396	4,360	5,046
Depreciation	182	192	236	300	366
Deferred tax	9	34	-	-	-
Others	(105)	26	(17)	6	6
Gross cash flow	1,678	1,985	3,615	4,666	5,418
Less: Changes in WC	182	380	(244)	(353)	(209)
Operating cash flow	1,497	1,605	3,859	5,019	5,626
Less: Capex	271	781	811	4,110	1,268
<b>Free cash flow</b>	<b>1,225</b>	<b>824</b>	<b>3,048</b>	<b>909</b>	<b>4,358</b>

**Cash flow metrics**

Year to March	FY08	FY09	FY10E	FY11E	FY12E
Operating cash flow	1,497	1,605	3,859	5,019	5,626
Investing cash flow	(638)	(1,415)	(196)	(3,886)	(941)
Financing cash flow	(908)	3,168	(2,927)	4,792	(3,779)
Net cash flow	(49)	3,357	736	5,926	907
Capex	(271)	(781)	(811)	(4,110)	(1,268)
Dividends paid	(841)	(1,002)	(1,964)	(2,545)	(2,945)
Share issuance/(buyback)	-	3,816	-	-	-

**Profitability & efficiency ratios**

Year to March	FY08	FY09	FY10E	FY11E	FY12E
ROAE (%)	109.6	46.9	54.8	58.7	56.6
ROACE (%)	58.5	30.5	42.9	39.7	33.6
Inventory day	115	85	86	87	97
Debtors days	16	15	14	15	17
Payable days	206	155	159	153	166
Cash conversion cycle (days)	(74)	(55)	(59)	(50)	(52)
Current ratio	1.1	2.2	1.9	2.4	2.3
Debt/EBITDA	0.9	1.4	0.7	1.8	1.5
Debt/Equity	1.1	0.5	0.4	1.3	1.1
Adjusted debt/equity	1.1	0.5	0.4	1.3	1.1
Interest coverage	15.3	(11.6)	34.6	17.5	14.4

**Operating ratios**

Year to March	FY08	FY09	FY10E	FY11E	FY12E
Total asset turnover	3.3	2.3	2.3	2.1	1.7
Fixed asset turnover	6.7	7.0	8.0	6.2	4.9
Equity turnover	7.5	3.8	3.3	3.9	3.9

**Du pont analysis**

Year to March	FY08	FY09	FY10E	FY11E	FY12E
NP margin (%)	14.4	12.4	16.6	14.9	14.6
Total assets turnover	3.3	2.3	2.3	2.1	1.7
Leverage multiplier	2.3	1.7	1.5	1.9	2.2
ROAE (%)	109.6	46.9	54.8	58.7	56.6

**Valuation parameters**

Year to March	FY08	FY09	FY10E	FY11E	FY12E
Diluted EPS (INR)	7.1	6.7	11.0	14.2	16.4
Y-o-Y growth (%)	18.7	(4.7)	64.1	28.4	15.7
CEPS (INR)	7.9	7.6	11.8	15.1	17.6
Diluted PE (x)	42.4	44.5	27.1	21.1	18.2
Price/BV (x)	39.3	13.5	13.7	11.3	9.5
EV/Sales (x)	6.3	5.4	4.4	3.2	2.6
EV/EBITDA (x)	32.1	37.2	22.2	15.6	13.1
Dividend yield (%)	1.4	1.3	2.1	2.8	3.2



Company	Absolute reco	Relative reco	Relative risk	Company	Absolute reco	Relative reco	Relative Risk
Asian Paints	BUY	SO	M	Colgate	HOLD	SO	M
Dabur	BUY	SO	M	Godrej Consumer	BUY	SP	H
Hindustan Lever	BUY	SP	L	ITC	BUY	SO	L
Marico	BUY	SP	M	Nestle Ltd	HOLD	SU	L
United Spirits	BUY	SP	H				

## ABSOLUTE RATING

Ratings	Expected absolute returns over 12 months
Buy	More than 15%
Hold	Between 15% and - 5%
Reduce	Less than -5%

## RELATIVE RETURNS RATING

Ratings	Criteria
Sector Outperformer (SO)	Stock return > 1.25 x Sector return
Sector Performer (SP)	Stock return > 0.75 x Sector return
	Stock return < 1.25 x Sector return
Sector Underperformer (SU)	Stock return < 0.75 x Sector return

Sector return is market cap weighted average return for the coverage universe within the sector

## RELATIVE RISK RATING

Ratings	Criteria
Low (L)	Bottom 1/3rd percentile in the sector
Medium (M)	Middle 1/3rd percentile in the sector
High (H)	Top 1/3rd percentile in the sector

Risk ratings are based on Edelweiss risk model

## SECTOR RATING

Ratings	Criteria
Overweight (OW)	Sector return > 1.25 x Nifty return
Equalweight (EW)	Sector return > 0.75 x Nifty return
	Sector return < 1.25 x Nifty return
Underweight (UW)	Sector return < 0.75 x Nifty return

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Ideas create, values protect



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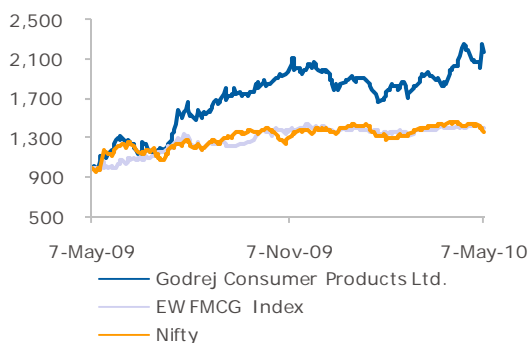
**Coverage group(s) of stocks by primary analyst(s): FMCG**

Asian Paints, Colgate, Dabur, Godrej Consumer, Hindustan Lever, ITC, Marico, Nestle Ltd, United Spirits

**Godrej Consumer**



**EW Indices**



**Distribution of Ratings / Market Cap**

**Edelweiss Research Coverage Universe**

	Buy	Hold	Reduce	Total
Rating Distribution*	101	56	9	169
* 3 stocks under review				
	> 50bn	Between 10bn and 50 bn	< 10bn	
Market Cap (INR)	103	53	13	

**Recent Research**

Date	Company	Title	Price (INR)	Recos
30-Apr-10	<b>Dabur India</b>	Domestic margins to sustain; international margins to expand; <i>Result Update</i>	180	Buy
29-Apr-10	<b>Marico Industries</b>	Core FMCG robust; Kaya overhang over medium term; <i>Result Update</i>	111	Buy

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