

## HUL

### Performance Highlights

#### Quarterly results (standalone)

(₹ cr)	3QFY2013	3QFY2012	% yoy	Angel Est.	% Diff
Revenue	6,434	5,844	10.1	6,591	(2.4)
EBITDA	868	859	1	840	3
OPM (%)	13.5	14.7	(122)	12.8	74
Recurring PAT	879	766	14.7	790	11.2

Source: Company, Angel Research

HUL has delivered a disappointing set of numbers for 3QFY2013, with the 5% volume growth in the domestic consumer business being the lowest in last twelve quarters. **We remain Neutral on the stock.**

**Key highlights during the quarter:** HUL's net sales during the quarter rose by 10.3% yoy to ₹6,434cr. While the low margin Soaps and Detergents division posted a 20% sales growth, the Personal Products division disappointed with a modest 13% sales growth. Volume growth suffered due to *Fair and Lovely* sachets being relaunched at a higher price of ₹8/pack and high base effect, mainly contributed by Dove sachets. The OPM fell by 122bp yoy to 13.5%, due to higher input costs; and advertisement and promotion expenses being higher yoy by ₹132cr of higher (up 100bp as a percentage of sales on a yoy basis). The bottom-line rose by 14.7% yoy to ₹879cr, aided largely by an 85.5% increase in other income to ₹355cr.

HUL's Board has approved a phased increase in royalty payment to Unilever on sale of certain products. This will effectively increase the royalty payment from 1.4% of total turnover currently to 3.15% of total turnover by March 31, 2018. For the period February 1, 2013 to March 31, 2014 the additional royalty impact would be 0.5% of turnover and we estimate an impact of ₹0.5 on FY2014E EPS.

**Outlook and valuation:** We expect HUL to post an ~15.5% and 19.3% CAGR in its top-line and bottom-line respectively over FY2012-14E. **At the current market price, the stock is trading at 27.2x FY2014E earnings. We maintain our Neutral view on the stock.**

#### Key financials (Standalone)

Y/E March (₹ cr)	FY2011	FY2012	FY2013E	FY2014E
Net sales	19,401	21,736	25,350	28,974
% chg	10.7	12.0	16.6	14.3
Net profit (Adj.)	2,099	2,573	3,264	3,663
% chg	(0.2)	22.6	26.9	12.2
OPM (%)	12.2	13.4	13.3	13.5
EPS (₹)	9.7	11.9	15.1	16.9
P/E (x)	43.1	37.0	30.5	27.2
P/BV (x)	37.4	28.3	24.2	17.3
RoE (%)	80.1	83.4	85.7	74.3
RoCE (%)	80.3	74.2	74.7	62.8
EV/Sales (x)	5.0	4.4	3.7	3.2
EV/EBITDA (x)	41.1	32.9	28.1	23.9

Source: Company, Angel Research

## NEUTRAL

CMP	₹460
Target Price	-

Investment Period	-
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Stock Info	
Sector	FMCG
Market Cap (₹ cr)	118,062
Net Debt (₹ cr)	(5,861)
Beta	0.4
52 Week High / Low	580/348
Avg. Daily Volume	250,516
Face Value (₹)	1
BSE Sensex	18,636
Nifty	5,666
Reuters Code	HLL.BO
Bloomberg Code	HUVR@IN

Shareholding Pattern (%)	
Promoters	52.5
MF / Banks / Indian Fls	9.0
FII / NRIs / OCBs	21.4
Indian Public / Others	17.0

Abs. (%)	3m	1yr	3yr
Sensex	10.7	4.7	16.1
HUVR	17.5	56.3	92.9

V Srinivasan

022-39357800 Ext: 6831

v.srinivasan@angelbroking.com

**Exhibit 1: Quarterly performance (Standalone)**

Y/E March (₹ cr)	3QFY2013	3QFY2012	% chg yoy	2QFY2013	% chg qoq	9MFY2013	9MFY2012	% chg
<b>Net Sales</b>	<b>6,434</b>	<b>5,844</b>	<b>10.1</b>	<b>6,155</b>	<b>4.5</b>	<b>18,839</b>	<b>16,856</b>	<b>11.8</b>
Consumption of RM	3,419	3,080	11.0	3,269	4.6	10,056	9,168	9.7
(% of Sales)	53.1	52.7		53.1		53.4	54.4	
Staff Costs	343	274	25.0	330	3.7	1,006	848	18.7
(% of Sales)	5.3	4.7		5.4		5.3	5.0	
Advertising Expenses	822	690	19.1	769	6.9	2,411	1,975	22.1
(% of Sales)	12.8	11.8		12.5		12.8	11.7	
Other Expenses	982	941	4.4	965	1.8	2,839	2,612	8.7
(% of Sales)	15.3	16.1		15.7		15.1	15.5	
<b>Total Expenditure</b>	<b>5,566</b>	<b>4,985</b>	<b>11.7</b>	<b>5,334</b>	<b>4.3</b>	<b>16,312</b>	<b>14,603</b>	<b>11.7</b>
<b>Operating Profit</b>	<b>868</b>	<b>859</b>	<b>1.0</b>	<b>821</b>	<b>5.6</b>	<b>2,527</b>	<b>2,253</b>	<b>12.2</b>
OPM	13.5	14.7	(122)	13.3	14	13.4	13.4	5
Interest	7.5	0.5	1,573.3	6.3	19.0	19	1	1,795.0
Depreciation	59	57	4.3	58	2.8	175	170	2.6
Other Income	355	191	85.5	304	16.7	1,006	510	97.3
<b>PBT (excl. Extr Items)</b>	<b>1,156</b>	<b>993</b>	<b>16.3</b>	<b>1,061</b>	<b>8.9</b>	<b>3,339</b>	<b>2,592</b>	<b>28.8</b>
Extr Income/(Expense)	(7)	(12)		2		599	91	
<b>PBT (incl. Extr Items)</b>	<b>1,148</b>	<b>981</b>	<b>17.1</b>	<b>1,063</b>	<b>8.0</b>	<b>3,938</b>	<b>2,683</b>	<b>46.8</b>
(% of Sales)	17.8	16.8		17.3		20.9	15.9	
Provision for Taxation	277	227	22.0	256	8.2	929	613	51.5
(% of PBT)	24.0	22.9		24.1		27.8	23.6	
<b>Recurring PAT</b>	<b>879</b>	<b>766</b>	<b>14.7</b>	<b>805</b>	<b>9.1</b>	<b>2,411</b>	<b>1,979</b>	<b>21.8</b>

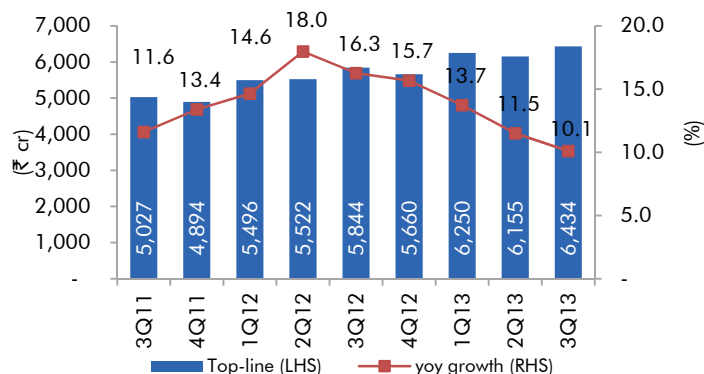
Source: Company, Angel Research

### Revenue growth at 10.1%

HUL's Home & Personal Care (HPC) and Foods businesses registered a double digit growth, resulting in an overall top-line growth of 10.1%. Volume growth stood at a disappointing 5%. On a like-for-like basis, the top-line rose by 15%, considering that 3QFY2012 results included sales of the export business, which has since been de-merged and transferred to a subsidiary.

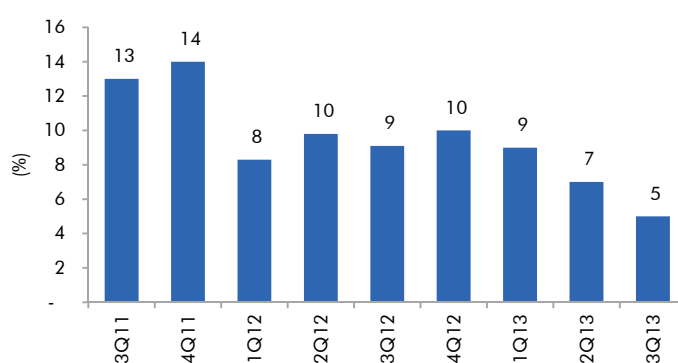
The soaps and detergents (S&D) segment posted a 20.0% yoy growth, with both laundry and skin cleansing segments reporting healthy growth rates. However, the growth of Personal Products segment continued to remain weak at 13% yoy impacted by the *Fair And Lovely* sachets being relaunched at a higher price of ₹8/pack vs the earlier price of ₹7/pack. Beverages grew by 18%, with tea delivering one of its strongest quarters. The Packaged Foods segment grew by 8%, led by growth in key brands.

**Exhibit 2: Top-line grows by 10.1% yoy**



Source: Company, Angel Research

**Exhibit 3: Volume growth moderates**



Source: Company, Angel Research

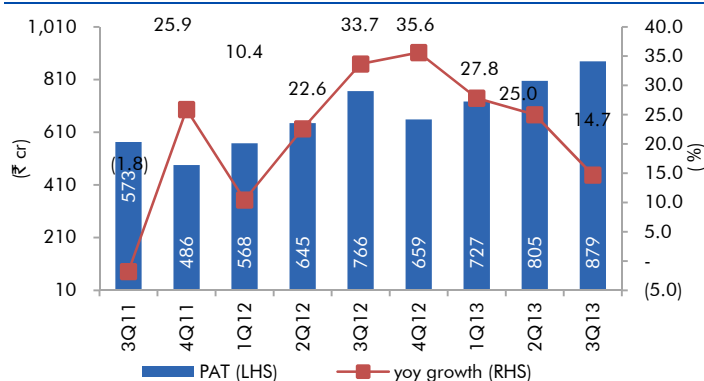
### Net profit up by 14.7% yoy

During the quarter, HUL posted a 14.7% yoy increase in its recurring net profit to ₹879cr (₹766cr in 3QFY2012). The bottom-line growth was led by an 85.5% yoy growth in other income (operational and financial) to ₹355cr. The management also indicated that on a like for like (LFL) basis (considering the demerger of the FMCG business) the bottom-line rose by 20%.

### OPM down by 122bp yoy to 13.5%

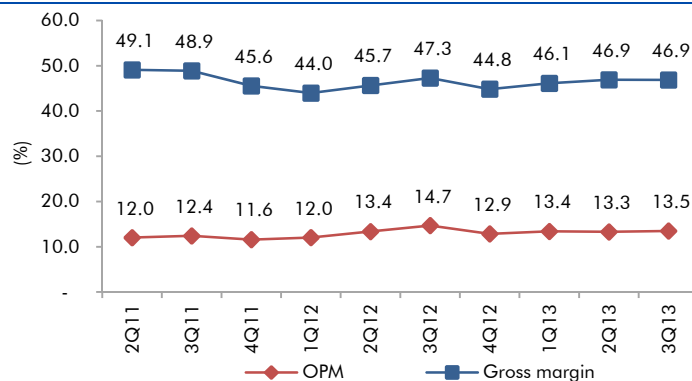
During the quarter, HUL reported a 44bp decline in gross margin. The company also increased its advertising and promotion (A&P) expenses during the quarter, which went up by ₹132cr on a yoy basis to ₹822cr. A&P expenses as a proportion of sales stood at 12.8%, up 100bp on a yoy basis. Thus, the company's OPM was down by 122bp on a yoy basis.

**Exhibit 4: Recurring PAT growth remains healthy**



Source: Company, Angel Research

**Exhibit 5: Gross margin grows but OPM remains flat**



Source: Company, Angel Research

**Exhibit 6: Segmental Performance**

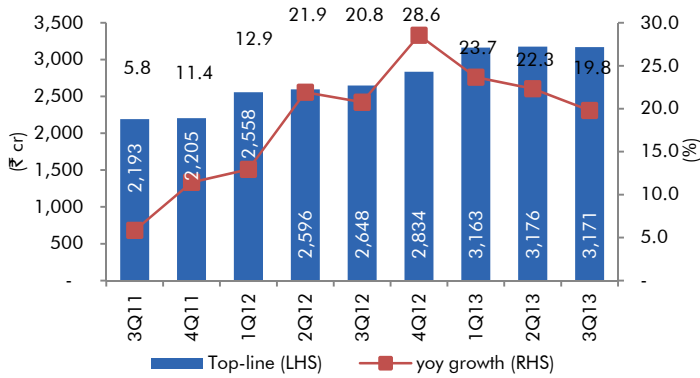
Y/E March (₹ cr)	3QFY2013	3QFY2012	% chg	2QFY2013	%chg	9MFY2013	9MFY2012	% chg
<b>Income</b>								
Soaps & Detergents	3,171	2,648	19.8	3,176	(0.2)	9,510	7,802	21.9
Personal Products	2,049	1,813	13.0	1,745	17.4	5,641	4,952	13.9
Beverages	793	671	18.2	720	10.2	2,167	1,934	12.0
Packaged Foods	330	307	7.7	366	(9.9)	1,133	1,011	12.1
Others	290	510	(43.1)	288	0.6	843	1,494	(43.6)
<b>Total Gross Income</b>	<b>6,633</b>	<b>5,949</b>	<b>11.5</b>	<b>6,295</b>	<b>5.4</b>	<b>19,293</b>	<b>17,193</b>	<b>12.2</b>
<b>PBIT segment –wise bifurcation</b>								
Soaps & Detergents	394	356	10.6	454	(13.2)	1,233	913	35.0
Personal Products	579	488	18.6	423	37.0	1,477	1,294	14.2
Beverages	140	105	33.5	103	36.2	338	268	26.1
Packaged Foods	(3)	(6)	(56)	1	(392)	23	28	(17.3)
Others	(19)	34	-	2	-	(21)	73	-
<b>Total PBIT</b>	<b>1,092</b>	<b>978</b>	<b>12</b>	<b>982</b>	<b>11</b>	<b>3,050</b>	<b>2,576</b>	<b>18.4</b>
Less: Interest Exp	(8)	(0)		(6)		(19)	(1)	
Less: Other Unallocable Exp	64	4		87		907	107	
<b>PBT</b>	<b>1,148</b>	<b>981</b>	<b>17.1</b>	<b>1,063</b>	<b>8.0</b>	<b>3,938</b>	<b>2,683</b>	<b>46.8</b>
<b>PBIT Margin (%)</b>								
Soaps & Detergents	12.4	13.4		14.3		13.0	11.7	
Personal Products	28.3	26.9		24.2		26.2	26.1	
Beverages	17.7	15.7		14.3		15.6	13.9	
Packaged Foods	(0.8)	(1.9)		0.2		2.0	2.8	
Others	(6.4)	6.7		0.7		(2.5)	4.9	

Source: Company, Angel Research

**S&D posts high double-digit growth, all brands perform well**

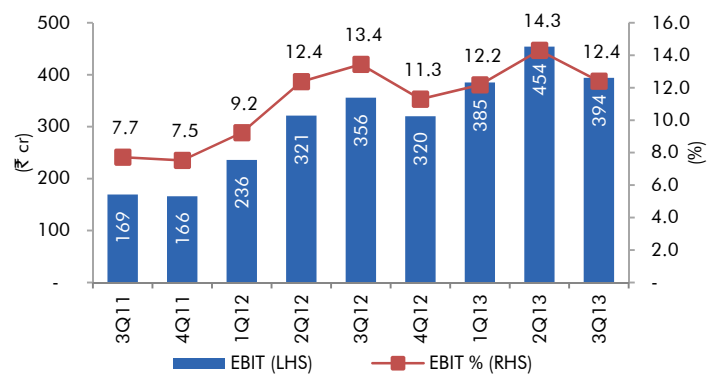
The Soaps & Detergents segment continued to post strong results with revenue growth coming in at 20.0% yoy. *Surf* and *Rin* continued to drive category upgradation and posted another quarter of double digit volume growth. Skin Cleansing sustained its broad based growth momentum led by brands such as *Dove*, *Lux* and *Lifebuoy*. While the laundry segment registered a strong performance on an overall basis, *Wheel* had a weak quarter. However, the Management indicated that the corrective measures taken by the company have started providing stimulus to the brand.

**Exhibit 7: S&D continues to post impressive growth**



Source: Company, Angel Research

**Exhibit 8: EBIT margin down by 102bp yoy**

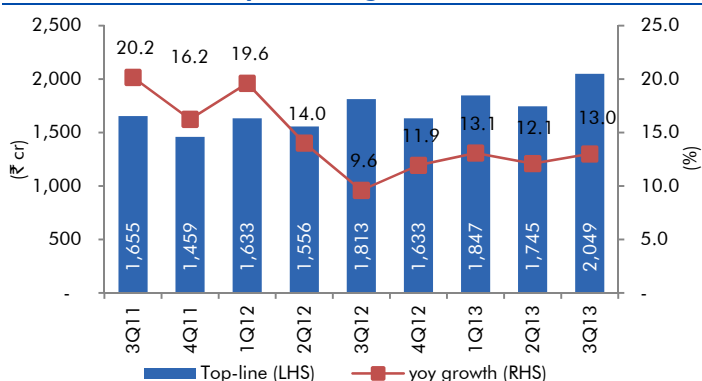


Source: Company, Angel Research

### Personal products posts weak growth

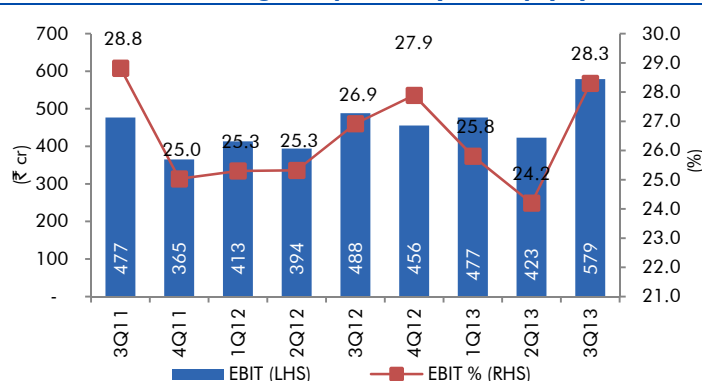
The growth of Personal Products remained weak at 13% yoy impacted by *Fair And Lovely* sachets' relaunch at a higher price of ₹8/pack vs the earlier price of ₹7/pack. The high base effect of *Dove* sachets too had a negative impact on the volume growth of the Personal Products segment. The company had launched *Dove* sachets at ₹1/sachet in 3QFY2012 and posted healthy volumes then. The price has increased to ₹1.5/sachet, which has affected volume growth. On the profitability front, the segmental margins rose by 133bp yoy to 28.3%.

**Exhibit 9: Personal products growth subdued at 13%**



Source: Company, Angel Research

**Exhibit 10: EBIT margin expands by 133bp yoy**



Source: Company, Angel Research

### Investment arguments

- **Increasing innovation and brand repositioning to accelerate growth:** HUL has been very actively re-launching products from its existing brands and has increased the pace of new launches, targeting the mid/premium market segment. This, in our view, is positive, considering that the company will have a better control on pricing. Moreover, constant innovations have helped HUL stabilize its market share losses. However, we believe ITC's commitment to categories such as soaps, shampoos and skin care, may pose a major threat to HUL in the long run.
- **Healthy domestic growth rates and strong balance sheet provide further impetus:** HUL, with its iconic brands, has maintained its growth which is impressive given the recent price hikes across categories and a strong competitive scenario, indicating a revival in consumer demand and higher growth in the mid/premium market segment. Moreover, HUL is a cash-rich, zero-debt company enjoying a high RoE of ~75%.

## Outlook and valuation

We expect HUL to post a ~15.5% and 19.3% CAGR in its top-line and bottom-line over FY2012-14E. **At the current market price, the stock is trading at 27.2x FY2014E earnings. We maintain our Neutral view on the stock.**

### Exhibit 11: Peer valuation

Company	Reco	Mcap (₹ cr)	CMP (₹)	TP* (₹)	Upside (%)	P/E (x)		EV/Sales (x)		RoE (%)		CAGR #	
						FY13E	FY14E	FY13E	FY14E	FY13E	FY14E	Sales	PAT
Asian Paints	Neutral	42,612	4,442	-	-	36.4	30.2	3.7	3.1	37.7	35.7	17.6	19.4
Britannia	Buy	5,801	486	584	20	26.5	19.7	0.9	0.8	39.1	42.7	15.3	25.6
Colgate	Neutral	19,468	1,432	-	-	39.4	33.7	6.0	5.3	101.0	93.5	15.2	13.8
Dabur	Reduce	22,329	128	-	-	27.6	23.7	3.6	3.1	43.2	41.4	15.9	21.0
GCPL	Neutral	23,993	705	-	-	34.7	27.7	4.1	3.4	25.5	25.4	24.7	25.8
GSKCHL	Neutral	15,882	3,776	-	-	37.3	31.9	4.7	4.0	36.3	31.9	16.1	18.3
<b>HUL</b>	<b>Neutral</b>	<b>99,472</b>	<b>460</b>	-	-	<b>30.5</b>	<b>27.2</b>	<b>3.7</b>	<b>3.2</b>	<b>85.7</b>	<b>74.3</b>	<b>15.5</b>	<b>19.3</b>
ITC	Neutral	228,766	293	-	-	31.2	26.4	7.6	6.4	35.1	35.1	17.4	18.7
Marico	Neutral	13,694	223	-	-	34.6	27.4	2.9	2.4	25.4	22.6	18.6	28.1
Nestle	Neutral	43,451	4,506	-	-	39.9	31.6	5.0	4.2	71.2	60.3	16.0	16.1
TGBL	Neutral	9,236	149	-	-	22.6	19.1	1.2	1.1	8.6	9.5	9.7	19.1

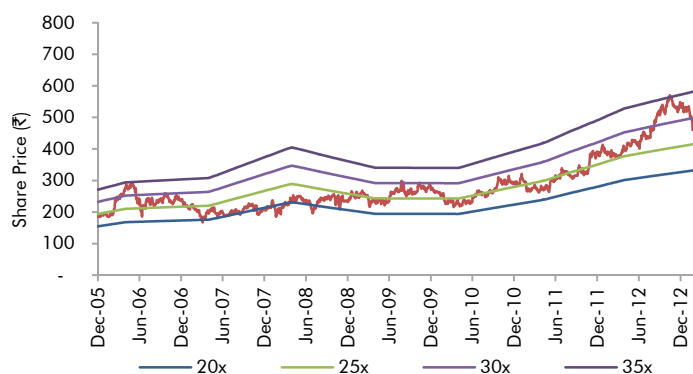
Source: Company, Angel Research, Note: #denotes CAGR for FY2012-14E

### Exhibit 12: Angel vs Consensus estimates

Top-line (₹ cr)	FY2013E	FY2014E	EPS (₹)	FY2013E	FY2014E
Angel estimates	25,350	28,974	Angel estimates	15.1	16.9
Consensus	25,535	29,049	Consensus	15.0	16.9
Diff (%)	(0.7)	(0.3)	Diff (%)	0.7	0.3

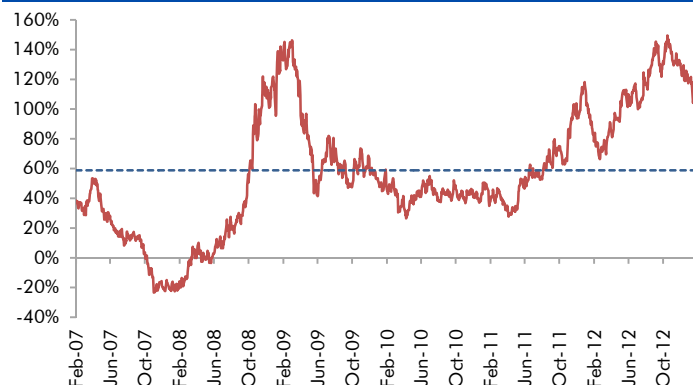
Source: Company, Angel Research

### Exhibit 13: One-year forward P/E chart



Source: Company, Angel Research

### Exhibit 14: One-year forward premium to Sensex



Source: Company, Angel Research, Note: Blue line indicates 5-year average

## Company Background

HUL, a 52% subsidiary of Unilever, is one of India's largest consumer goods companies. HUL is present across four main product categories – 1) Soaps And Detergents (50% of revenue); 2) Personal Products (mainly shampoos, skin care and toothpaste; 30% of revenue); 3) Beverages (mainly tea and coffee; 12% of revenue); 4) Packaged Foods and ice cream (6% of revenue); and 5) Others, mainly consisting of water purifiers. The company, with its iconic brands such as *Lux*, *Lifebuoy*, *Surf Excel*, *Rin*, *Wheel*, *Fair & Lovely*, *Pond's*, *Vaseline*, *Lakmé*, *Dove*, *Clinic Plus*, *Sunsilk*, *Pepsodent*, *Closeup*, *Axe*, *Brooke Bond*, *Bru*, *Knorr*, *Kissan* and *Walls*, has a vast presence in rural as well as urban Indian markets, with one of the largest distribution networks spanning over 6.3mn retail outlets.



**Profit & Loss Statement (Standalone)**

Y/E March (₹ cr)	FY2009#	FY2010	FY2011	FY2012	FY2013E	FY2014E
Net Sales	20,239	17,524	19,401	21,736	25,350	28,974
<b>Total operating income</b>	<b>20,239</b>	<b>17,524</b>	<b>19,401</b>	<b>21,736</b>	<b>25,350</b>	<b>28,974</b>
% chg	48.0	(13.4)	10.7	12.0	16.6	14.3
Total Expenditure	17,583	14,975	17,036	18,825	21,972	25,054
Cost of Materials	10,810	8,878	10,057	11,738	13,586	15,499
Advertising Exp	2,131	2,391	2,764	2,635	3,219	3,651
Personnel	1,152	936	961	1,107	1,280	1,463
Others	3,490	2,770	3,254	3,345	3,886	4,442
<b>EBITDA</b>	<b>2,656</b>	<b>2,548</b>	<b>2,365</b>	<b>2,911</b>	<b>3,379</b>	<b>3,919</b>
% chg	41.4	(4.1)	(7.2)	23.1	16.1	16.0
(% of Net Sales)	13.1	14.5	12.2	13.4	13.3	13.5
Depreciation & Amortisation	195	184	221	218	224	226
<b>EBIT</b>	<b>2,461</b>	<b>2,364</b>	<b>2,144</b>	<b>2,692</b>	<b>3,155</b>	<b>3,693</b>
% chg	41.4	(3.9)	(9.3)	25.6	17.2	17.1
(% of Net Sales)	12.2	13.5	11.1	12.4	12.4	12.7
Interest & other Charges	25	7	0	1	23	23
Other Income	590	350	586	659	1,141	1,254
(% of PBT)	19.5	12.9	21.5	19.7	26.7	25.5
Share in profit of Associates	-	-	-	-	-	-
<b>Recurring PBT</b>	<b>3,025</b>	<b>2,707</b>	<b>2,730</b>	<b>3,350</b>	<b>4,273</b>	<b>4,924</b>
% chg	40.9	(10.5)	0.9	22.7	27.6	15.2
Prior Period & Extr. Exp./ (Inc.)	4	(99)	(207)	(119)	(466)	-
<b>PBT (reported)</b>	<b>3,021</b>	<b>2,806</b>	<b>2,937</b>	<b>3,469</b>	<b>4,739</b>	<b>4,924</b>
Tax	524	604	631	778	1,009	1,261
(% of PBT)	17.3	22.3	23.1	23.2	23.6	25.6
<b>PAT (Adjusted)</b>	<b>2,501</b>	<b>2,103</b>	<b>2,099</b>	<b>2,573</b>	<b>3,264</b>	<b>3,663</b>
Add: Share of earnings of asso.	-	-	-	-	-	-
<b>Recurring PAT</b>	<b>2,501</b>	<b>2,103</b>	<b>2,099</b>	<b>2,573</b>	<b>3,264</b>	<b>3,663</b>
<b>Reported PAT</b>	<b>2,496</b>	<b>2,202</b>	<b>2,306</b>	<b>2,691</b>	<b>3,730</b>	<b>3,663</b>
% chg	29.7	(11.8)	4.7	16.7	38.6	(1.8)
(% of Net Sales)	12.3	12.6	11.9	12.4	14.7	12.6
<b>Basic EPS (₹)</b>	<b>11.5</b>	<b>9.6</b>	<b>9.7</b>	<b>11.9</b>	<b>15.1</b>	<b>16.9</b>
<b>Fully Diluted EPS (₹)</b>	<b>11.5</b>	<b>9.6</b>	<b>9.7</b>	<b>11.9</b>	<b>15.1</b>	<b>16.9</b>
% chg	43.3	(16.0)	0.9	22.4	26.9	12.2

#Note: FY2009 results are for 15 months; Some of the figures from FY2011 onwards are reclassified; hence not comparable with previous year numbers

**Balance Sheet (Standalone)**

Y/E March (₹ cr)	FY2009*	FY2010	FY2011	FY2012E	FY2013E	FY2014E
<b>SOURCES OF FUNDS</b>						
Equity Share Capital	218	218	216	216	216	216
Preference Capital	-	-	-	-	-	-
Reserves & Surplus	1,844	2,365	2,444	3,297	3,887	5,541
<b>Shareholders Funds</b>	<b>2,062</b>	<b>2,584</b>	<b>2,660</b>	<b>3,513</b>	<b>4,104</b>	<b>5,757</b>
Total Loans	422	-	-	-	-	-
Deferred Tax Liability	(255)	(249)	(210)	(214)	(210)	(210)
Long term provisions			664	667	700	700
Other long term liabilities			219	330	330	330
<b>Total Liabilities</b>	<b>2,229</b>	<b>2,335</b>	<b>3,333</b>	<b>4,295</b>	<b>4,924</b>	<b>6,577</b>
<b>APPLICATION OF FUNDS</b>						
Gross Block	2,882	3,582	3,760	3,812	3,992	4,110
Less: Acc. Depreciation	1,275	1,420	1,591	1,664	1,888	2,114
<b>Net Block</b>	<b>1,607</b>	<b>2,162</b>	<b>2,169</b>	<b>2,147</b>	<b>2,104</b>	<b>1,996</b>
Capital Work-in-Progress	472	274	289	215	399	411
Goodwill	-	-	-	-	-	-
<b>Investments</b>	<b>333</b>	<b>1,264</b>	<b>1,261</b>	<b>2,438</b>	<b>2,438</b>	<b>3,138</b>
Long term loans and adv.			400	396	420	450
Current Assets	5,601	5,368	5,834	5,547	6,990	8,102
Cash	1,777	1,892	1,628	1,830	2,594	2,943
Loans & Advances	758	624	452	521	594	709
Other	3,066	2,852	3,754	3,196	3,803	4,450
Current liabilities	5,784	6,733	6,620	6,449	7,428	7,520
<b>Net Current Assets</b>	<b>(183)</b>	<b>(1,365)</b>	<b>(786)</b>	<b>(902)</b>	<b>(438)</b>	<b>582</b>
<b>Total Assets</b>	<b>2,229</b>	<b>2,335</b>	<b>3,333</b>	<b>4,295</b>	<b>4,924</b>	<b>6,577</b>

\*Note: FY2009 results are for 15 months; Some of the figures from FY2011 onwards are reclassified; hence not comparable with previous year numbers

**Cash Flow Statement (Standalone)**

Y/E March (₹ cr)	FY2009*	FY2010	FY2011	FY2012	FY2013E	FY2014E
Profit before tax	3,025	2,707	2,730	3,350	4,273	4,924
Depreciation	195	184	221	218	224	226
Change in Working Capital	(330)	1,375	(538)	205	151	(732)
Interest / Dividend (Net)	(126)	(117)	(190)	(161)	(158)	(211)
Direct taxes paid	524	604	631	778	1,009	1,261
Others	(19)	(67)	(142)	208	629	32
<b>Cash Flow from Operations</b>	<b>2,220</b>	<b>3,477</b>	<b>1,450</b>	<b>3,043</b>	<b>4,109</b>	<b>2,978</b>
(Inc.)/ Dec. in Fixed Assets	(629)	(502)	(192)	21	(364)	(129)
(Inc.)/ Dec. in Investments	1,167	(931)	3	(1,178)	0	(700)
<b>Cash Flow from Investing</b>	<b>538</b>	<b>(1,434)</b>	<b>(189)</b>	<b>(1,156)</b>	<b>(364)</b>	<b>(829)</b>
Issue of Equity	39	32	(73)	38.1	-	-
Inc./ (Dec.) in loans	333	(422)	-	-	-	-
Dividend Paid (Incl. Tax)	1,677	1,656	1,642	1,884	3,140	2,009
Interest / Dividend (Net)	(122)	(117)	(190)	(161)	(158)	(211)
<b>Cash Flow from Financing</b>	<b>(1,181)</b>	<b>(1,929)</b>	<b>(1,525)</b>	<b>(1,685)</b>	<b>(2,981)</b>	<b>(1,799)</b>
Inc./ (Dec.) in Cash	1,576	115	(264)	201	764	350
<b>Opening Cash balances</b>	<b>201</b>	<b>1,777</b>	<b>1,892</b>	<b>1,628</b>	<b>1,830</b>	<b>2,594</b>
<b>Closing Cash balances</b>	<b>1,777</b>	<b>1,892</b>	<b>1,628</b>	<b>1,830</b>	<b>2,594</b>	<b>2,943</b>

\*Note: FY2009 results are for 15 months; Some of the figures from FY2011 onwards are reclassified; hence not comparable with previous year numbers

**Key Ratios**

Y/E March	FY2009*	FY2010	FY2011	FY2012	FY2013E	FY2014E
<b>Valuation Ratio (x)</b>						
P/E (on FDEPS)	40.2	45.6	43.1	37.0	30.5	27.2
P/CEPS	36.9	43.5	42.9	35.6	28.5	25.6
P/BV	48.3	38.5	37.4	28.3	24.2	17.3
Dividend yield (%)	1.6	1.4	1.4	1.6	2.7	1.7
EV/Sales	4.9	5.5	5.0	4.4	3.7	3.2
EV/EBITDA	37.2	38.2	41.1	32.9	28.1	23.9
EV / Total Assets	44.3	41.7	36.4	26.4	22.5	16.0
<b>Per Share Data (₹)</b>						
EPS (Basic)	11.5	9.6	9.7	11.9	15.1	16.9
EPS (fully diluted)	11.6	9.7	9.7	11.9	15.1	16.9
Cash EPS	12.5	10.6	10.7	12.9	16.1	18.0
DPS	7.5	6.5	6.5	7.5	12.5	8.0
Book Value	9.5	12.0	12.3	16.3	19.0	26.6
<b>Returns (%)</b>						
ROCE (Pre-tax)	138.9	103.6	85.7	85.5	80.4	73.1
Angel ROIC (Pre-tax)	-	-	-	-	-	-
ROE	142.9	90.5	80.1	83.4	85.7	74.3
<b>Turnover ratios (x)</b>						
Asset Turnover (Gross Block)	7.0	4.9	5.2	5.7	6.4	7.1
Inventory / Sales (days)	46	45	53	42	46	46
Receivables (days)	10	14	18	11	9	10
Payables (days)	77	110	105	87	81	78
WC cycle (ex-cash) (days)	(35)	(68)	(50)	(50)	(48)	(33)

\*Note: FY2009 results are for 15 months; Some of the figures from FY2011 onwards are reclassified; hence not comparable with previous year numbers

Research Team Tel: 022 - 39357800

 E-mail: [research@angelbroking.com](mailto:research@angelbroking.com)

 Website: [www.angelbroking.com](http://www.angelbroking.com)

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### Disclosure of Interest Statement

	HUL
1. Analyst ownership of the stock	No
2. Angel and its Group companies ownership of the stock	No
3. Angel and its Group companies' Directors ownership of the stock	No
4. Broking relationship with company covered	No

*Note: We have not considered any Exposure below ₹1 lakh for Angel, its Group companies and Directors*

### Ratings (Returns):

Buy (&gt; 15%)

Reduce (-5% to -15%)

Accumulate (5% to 15%)

Sell (&lt; -15%)

Neutral (-5 to 5%)