

Colgate Palmolive (India) Ltd

Higher rural growth helped 5% volume growth

Colgate's Q3FY25 print was in-line with our estimates; revenue grew by 4.7% YoY while EBITDA/PAT declined by 3.1%/2.2% YoY. Despite soft demand in urban market, domestic sales grew by 3.2% YoY backed by ~5% YoY volume growth, which represents soft demand (particularly in urban market). We like CLGT's focus on product superiority led by science-based innovation, category led growth along with premiumisation story. The tech-enabled Oral Health Movement was launched at significant scale. Management believes that its strong innovation pipeline would help boost growth. During Q3, the company introduced MaxFresh Sensorial range on e-Commerce channel. Gross margin declined to 69.7% (-228bps) due to change in product mix along with higher input costs. Although other expenses increased (+15.1%), drop in Ad-spends as a % of sales by 95bps to 13.8% and lower employee exp. (-0.9%) led to EBITDA margin falling to 30.6% (-249bps). The management has given a cautious outlook for the short term while long term growth outlook is intact. We have tweaked earnings and maintain BUY, with a revised DCF-based target price of Rs3,215 (implied 47.8x FY27E EPS).

Volume growth of ~5% despite soft demand particularly in urban market

CLGT's Q3FY25 revenue grew by 4.7% YoY to Rs14.5bn. Domestic sales grew by 3.2% YoY, led by ~5% YoY volume growth. We note that core category growth would be driven by Strong Teeth, Max Fresh and Active Salt portfolio. Further, science based superior/premium portfolio forming ~15% of sales, led by Colgate Total and Whitening portfolio (Active Oxygen Tech) continue to expand distribution, clocking 3x category growth. CLGT has embarked on the journey of driving category consumption using 'Oral Health Movement' initiative: (1) free AI-led dental screening – 800mn+ packs with QR codes and free dentist consultation provided by 50K Dentists (2) BSBF partnership covering 200 cities and ~10mn children across 23K schools and (3) brush twice a day campaign. The management believes that strong innovation pipeline would help boost growth in the medium to long term. During Q3, the company introduced MaxFresh Sensorial range on e-commerce channel. The management has given a cautious outlook for the short term while long term growth outlook is intact.

Lower gross margin and higher other expenses lead to lower EBITDA margin

In Q3FY25, CLGT's gross margin declined by 228bps to 69.7% due to change in product mix along with higher input costs. Although other expenses increased (+15.1%) decline in employee expenses (-0.9%) and ad spend (-2.0%) pushed EBITDA margin to 30.6% (-249bps). Ad-spends as % of sales declined by 95bps YoY to 13.8% vs. 14.7% in Q3FY24. CLGT has introduced the MaxFresh Sensorial range in e-Commerce, which is a combination of refreshing power with fun & flavor. PAT was down by 2.2% YoY despite higher other income (+10.7%) and decline in interest expenses (-26.5%).

Valuation and risks

We reckon CLGT's growth will be driven by: (1) category development by driving awareness through Oral Health movement (2) diversifying product portfolio and growing beyond oral care (3) driving frequency of consumption and (4) further penetration in rural markets. The management aims to drive oral category penetration by retaining leadership using product superiority and innovation led premiumisation. With a strong distribution network (7mn), CLGT has guided for volume led growth with healthy mix between pricing/mix led realizations. We expect a gradual demand recovery in urban markets and strong recovery in rural to lift CLGT's performance. With focus on cost savings, we expect stable margins despite higher ad-spends and investments to support new launches. We cut our earnings for FY25E/FY26E by 7.3%/8.0% and maintain BUY with a revised DCF based target of Rs3,215 (implied 47.8x FY27E EPS). Risks: weakness in rural demand leading to decline in volume for toothpaste category and rising inflation in key RM/PM.

Financial and valuation summary

YE Mar (Rs mn)	3QFY25A	3QFY24A	YoY (%)	2QFY25A	QoQ (%)	FY25E	FY26E	FY27E
Revenues	14,522	13,864	4.7	16,092	(9.8)	61,169	67,049	73,773
EBITDA	4,447	4,592	(3.1)	4,875	(8.8)	19,179	21,459	23,765
EBITDA margin (%)	30.6	33.1	(249bp)	30.3	28bp	31.4	32.0	32.2
Adj. Net profit	3,228	3,301	(2.2)	3,951	(18.3)	14,364	16,373	18,302
Adj. EPS (Rs)	11.9	12.1	(2.2)	14.5	(18.3)	52.8	60.2	67.3
EPS growth (%)						6.9	14.0	11.8
PE (x)						50.6	44.4	39.7
EV/EBITDA (x)						37.1	33.0	29.7
PBV (x)						37.6	36.3	35.0
RoE (%)						75.5	83.3	89.9
RoCE (%)						72.9	80.5	87.0

Source: Company, Centrum Broking

Please see Disclaimer for analyst certifications and all other important disclosures.

Result Update

India I Consumer

28 January, 2025

BUY

Price: Rs2,670

Target Price: Rs3,215

Forecast return: 20%

Institutional Research

Market Data

Bloomberg:	CLGT IN
52 week H/L:	3,893/2,466
Market cap:	Rs728.8bn
Shares Outstanding:	272.0mn
Free float:	47.8%
Avg. daily vol. 3mth:	5,04,544

Source: Bloomberg

Changes in the report

Rating:	Unchanged
Target price:	Rs3,215 from Rs3,781
EPS:	FY25E: Rs52.8; down 7.3% FY26E: Rs60.2; down 8.0%

Source: Centrum Broking

Shareholding pattern

	Dec-24	Sep-24	Jun-24	Mar-24
Promoter	51.0	51.0	51.0	51.0
FIIIs	23.7	24.9	24.4	24.5
DIIIs	6.9	5.8	6.0	6.1
Public/other	18.4	18.3	18.6	18.4

Source: BSE

Centrum estimates vs Actual results

YE Mar (Rs mn)	Centrum Q3FY25	Actual Q3FY25	Variance (%)
Revenue	14,765	14,522	(1.6)
EBITDA	4,607	4,447	(3.5)
EBITDA margin %	31.2	30.6	-58bps
Other Income	407	300	-26.2
Interest	11	11	0.9
Depreciation	422	411	-2.5
PBT	4,581	4,325	(5.6)
Tax	1,173	1,097	(6.4)
Rep. PAT	3,408	3,228	(5.3)
Adj. PAT	3,408	3,228	(5.3)

Source: Bloomberg, Centrum Broking



Soham Samanta

Research Analyst, Consumer
+91-022-4215 9855
soham.samanta@centrum.co.in



Ritik Bansal

Research Associate, Consumer
+91-022-4215 9517
ritik.bansal@centrum.co.in

Consumer

Thesis Snapshot

Estimate revision

YE Mar (Rs mn)	FY25E New	FY25E Old	% chg	FY26E New	FY26E Old	% chg
Revenue	61,169	63,409	(3.5)	67,049	70,371	(4.7)
EBITDA	19,179	20,990	(8.6)	21,458	23,649	(9.3)
EBITDA margin	31.4	33.1	-175bp	32.0	33.6	(9.3)
Adj. PAT	14,364	15,511	(7.4)	16,373	17,791	-160bp
Diluted EPS (Rs)	52.8	57.0	(7.3)	60.2	65.4	(8.0)

Source: Centrum Broking

Colgate Palmolive versus NIFTY 50

	1m	6m	1 year
CLGT IN	(1.7)	(16.5)	6.4
NIFTY 50	(3.6)	(7.6)	5.6

Source: Bloomberg, NSE

Key assumptions

Y/E Mar	FY25E	FY26E
Volume growth	7.0	6.0
Price/ Mix Growth	5.3	5.0
Gross Margin	69.6	69.7
Employee costs as % of Sales	7.2	6.8
Other expenses as % of Sales	27.7	27.5
Tax rate	25.4	25.4

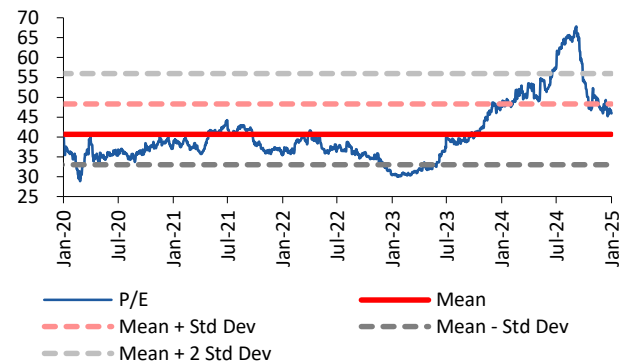
Source: Centrum Broking

Valuation

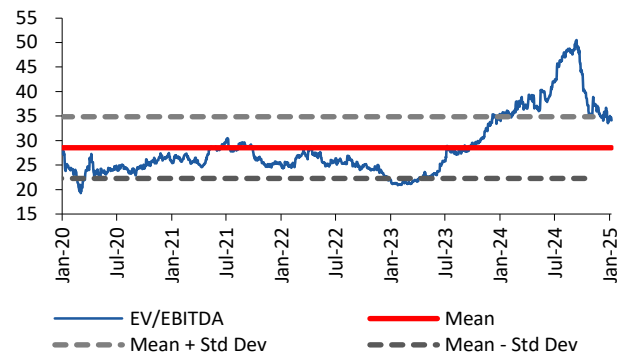
We reckon CLGT's growth will be driven by: (1) category development by driving awareness through Oral Health movement (2) diversifying product portfolio and growing beyond oral care (3) driving frequency of consumption and (4) further penetration in rural markets. The management aims to drive oral category penetration by retaining leadership using product superiority and innovation led premiumisation. With a strong distribution network (7mn), CLGT has guided for volume led growth with healthy mix between pricing/mix led realizations. We expect a gradual demand recovery in urban markets and strong recovery in rural to lift CLGT's performance. With focus on cost savings, we expect stable margins despite higher ad-spends and investments to support new launches. We cut our earnings for FY25E/FY26E by 7.3%/8.0% and maintain BUY with a revised DCF based target of Rs3,215 (implied 47.8x FY27E EPS). Risks: weakness in rural demand leading to decline in volume for toothpaste category and rising inflation in key RM/PM.

Valuation	Rs/share
DCF-based target price (Rs)	3,215
WACC (%)	9.0
Terminal growth (%)	5.7

P/E mean and standard deviation



EV/EBITDA mean and standard deviation



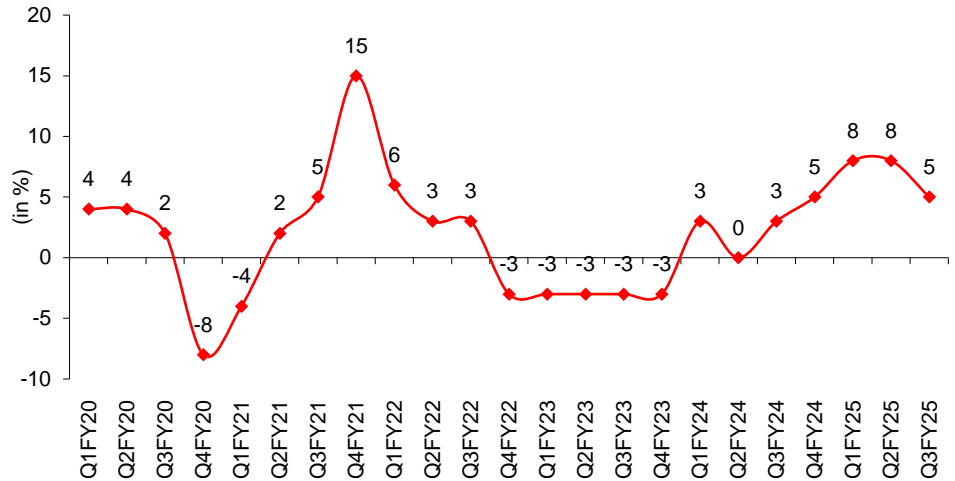
Source: Bloomberg, Centrum Broking

Peer comparison

Company	Mkt Cap (Rs bn)	CAGR (FY24-26E)				P/E (x)			EV/EBITDA (x)			RoE		
		Sales	EBITDA	EPS	FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY24	FY25E	FY26E	
HUL	5,616.1	4.8	5.4	5.2	55.1	51.5	47.3	38.1	35.7	32.6	20.0	21.4	23.2	
Britannia	1,219.5	10.7	9.3	12.3	54.0	47.2	40.4	38.2	33.8	29.1	54.0	54.1	53.5	
Dabur	930.1	8.5	10.2	11.5	47.0	42.3	36.4	35.8	31.7	28.0	18.8	19.0	20.4	
Colgate	728.8	9.3	8.4	10.9	50.7	44.5	39.8	38.2	34.1	30.6	75.5	83.3	89.9	
Emami	242.3	8.3	13.1	15.5	27.1	24.7	21.8	21.3	18.7	16.5	34.6	33.7	33.5	
Bajaj Consumer	26.0	8.1	14.3	8.2	15.8	14.1	13.1	11.6	9.5	7.9	18.7	19.2	18.8	

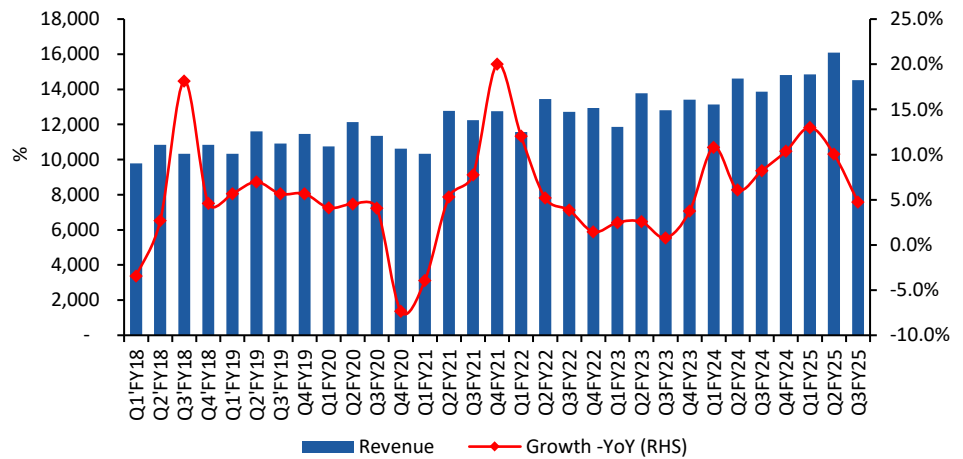
Source: Company

Exhibit 1: Quarterly volume growth trend



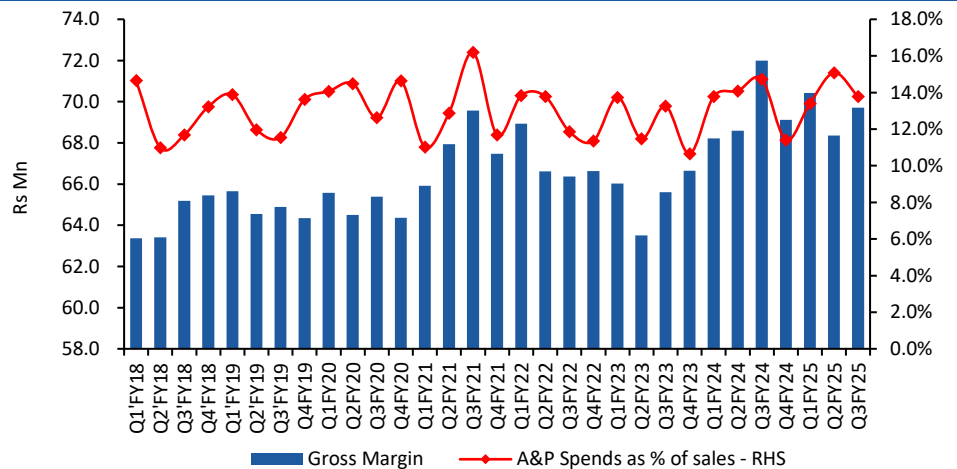
Source: Company Data, Centrum Broking

Exhibit 2: Revenue and growth trend



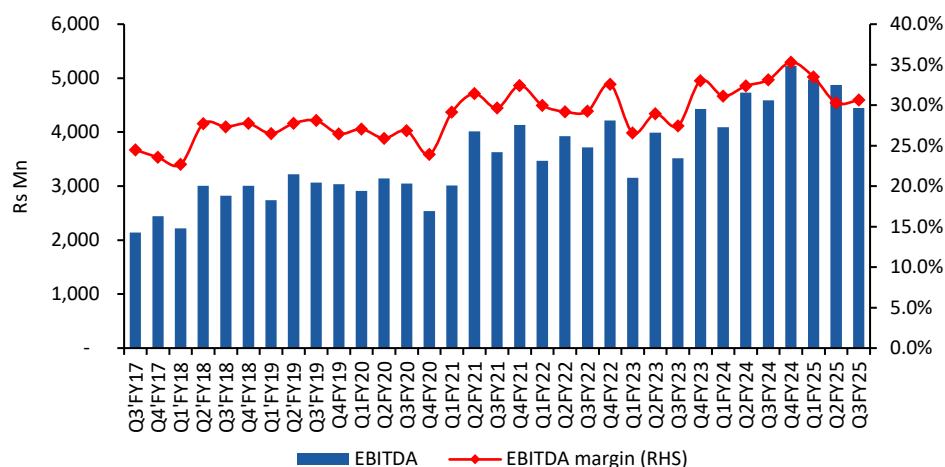
Source: Company Data, Centrum Broking

Exhibit 3: Gross margin trend & Advt. as % on sales



Source: Company Data, Centrum Broking

Exhibit 4: EBITDA vs EBITDA margin trend



Source: Company Data, Centrum Broking

Exhibit 5: Quarterly Performance

Particulars (Rs mn)	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Net Sales	13,417	13,147	14,624	13,864	14807	14858	16092	14522
Accretion to Stocks in trade & work in progress	160	65	191	95.4	173	206	239	-41.9
Raw Material Consumed	3,610	3,656	3,699	3,343	3877	4016	4457	3454
Purchase of Stock-in-Trade	705	588	704	635	522	583	876	986
Employee Expenses	898	958	1,062	1,098	999	1,123	1,184	1088
Other Exp	3,614	3,919	4,233	4,291	4005	4,367	4,941	4,588
Operating Profit (Core EBITDA)	4,430	4,092	4,734	4,592	5229	4,974	4,875	4447
Depreciation	(431)	(438)	(443)	(414)	(421)	(415)	(417)	(411)
EBIT	3,999	3,654	4,291	4,178	4897	4,559	4,457	4036
Interest	(11)	(11)	(11)	15	14	10	12	11
Other Income	293	239	297	271	320	344	859	300
Profit Before Tax	4,281	3,883	4,578	4,434	5113	4,893	5,305	4325
Tax	(1100)	(951)	(1,178)	1,133	1315	1253	1354	1097
Tax rate (%)	25.7	24.5	24.2	25.6	25.7	25.6	25.5	25.4
Profit After Tax	3,162	2,737	3,400	3,301	3798	3640	3951	3227
Growth (%)								
Net Sales	3.7	10.8	6.1	8.2	6.7	13.0	10.0	4.7
EBITDA	5.1	29.7	18.7	30.7	11.4	21.6	3.0	-3.1
Adj. PAT	(1.7)	33.9	22.3	35.7	15.6	24.1	16.2	-2.2
Margin (%)								
Gross Margin	66.6	68.2	68.6	72.0	69.1	70.4	68.4	69.7
EBITDA	33.0	31.1	32.4	33.1	35.3	33.5	30.3	30.6
EBIT	29.8	27.8	29.3	30.1	32.5	30.7	27.7	27.8
PAT (reported before minority interest)	23.7	22.3	23.3	23.8	25.7	24.5	24.5	22.2

Source: Company, Centrum Broking

P&L					
YE Mar (Rs mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Revenues	51,879	56,442	61,169	67,049	73,773
Operating Expense	24,283	24,834	33,026	36,171	39,569
Employee cost	3,770	4,117	4,404	4,559	5,017
Others	8,740	8,845	4,560	4,861	5,422
EBITDA	15,087	18,646	19,179	21,459	23,765
Depreciation & Amortisation	1,748	1,715	1,672	1,712	1,772
EBIT	13,339	16,931	17,507	19,746	21,993
Interest expenses	49	50	48	44	42
Other income	919	1,128	1,796	2,245	2,582
PBT	14,209	18,008	19,255	21,947	24,533
Taxes	3,625	4,577	4,891	5,575	6,231
Effective tax rate (%)	25.5	25.4	25.4	25.4	25.4
PAT	10,584	13,432	14,364	16,373	18,302
Minority/Associates	0	0	0	0	0
Recurring PAT	10,584	13,432	14,364	16,373	18,302
Extraordinary items	(112)	(195)	0	0	0
Reported PAT	10,471	13,237	14,364	16,373	18,302

Ratios					
YE Mar	FY23A	FY24A	FY25E	FY26E	FY27E
Growth (%)					
Revenue	0.6	8.8	8.4	9.6	10.0
EBITDA	(7.0)	23.6	2.9	11.9	10.7
Adj. EPS	(6.7)	26.9	6.9	14.0	11.8
Margins (%)					
Gross	65.4	69.5	69.6	69.7	69.7
EBITDA	29.1	33.0	31.4	32.0	32.2
EBIT	25.7	30.0	28.6	29.5	29.8
Adjusted PAT	20.2	23.5	23.5	24.4	24.8
Returns (%)					
ROE	61.3	74.8	75.5	83.3	89.9
ROCE	59.2	72.2	72.9	80.5	87.0
ROIC	103.9	176.0	267.1	457.6	1,216.4
Turnover (days)					
Gross block turnover ratio (x)	2.4	2.5	2.7	2.8	3.0
Debtors	13	11	10	9	8
Inventory	70	67	61	60	60
Creditors	156	174	181	182	184
Net working capital	57	67	71	73	75
Solvency (x)					
Net debt-equity	(0.5)	(0.7)	(0.8)	(0.9)	(1.0)
Interest coverage ratio	307.3	372.9	403.8	485.8	560.4
Net debt/EBITDA	(0.6)	(0.7)	(0.8)	(0.8)	(0.9)
Per share (Rs)					
Adjusted EPS	38.9	49.4	52.8	60.2	67.3
BVPS	63.1	68.9	71.1	73.5	76.2
CEPS	45.3	55.7	59.0	66.5	73.8
DPS	37.3	47.4	50.7	57.7	64.6
Dividend payout (%)	97.0	97.3	95.9	95.9	95.9
Valuation (x)					
P/E	68.6	54.1	50.6	44.4	39.7
P/BV	42.3	38.7	37.6	36.3	35.0
EV/EBITDA	47.6	38.2	37.1	33.0	29.7
Dividend yield (%)	1.4	1.8	1.9	2.2	2.4

Source: Company, Centrum Broking

Balance sheet					
YE Mar (Rs mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Equity share capital	272	272	272	272	272
Reserves & surplus	16,892	18,472	19,056	19,721	20,465
Shareholders fund	17,164	18,744	19,328	19,993	20,737
Minority Interest	0	0	0	0	0
Total debt	690	718	718	718	718
Non Current Liabilities	0	0	0	0	0
Def tax liab. (net)	0	0	0	0	0
Total liabilities	17,854	19,461	20,045	20,711	21,455
Gross block	21,240	22,188	23,007	23,904	24,642
Less: acc. Depreciation	(12,622)	(14,247)	(15,919)	(17,631)	(19,403)
Net block	8,618	7,941	7,087	6,273	5,239
Capital WIP	1,141	1,103	1,103	1,103	1,103
Net fixed assets	9,759	9,043	8,190	7,376	6,341
Non Current Assets	0	0	0	0	0
Investments	0	0	0	0	0
Inventories	3,355	2,964	3,212	3,521	3,874
Sundry debtors	1,574	1,674	1,633	1,611	1,595
Cash & Cash Equivalents	9,230	13,738	15,988	18,330	21,138
Loans & advances	4,913	4,546	4,646	4,746	4,846
Other current assets	0	0	0	0	0
Trade payables	7,611	8,819	9,653	10,687	11,876
Other current liab.	2,184	2,245	2,504	2,705	2,998
Provisions	1,181	1,441	1,467	1,480	1,465
Net current assets	8,095	10,418	11,855	13,335	15,113
Total assets	17,854	19,461	20,045	20,710	21,454

Cashflow					
YE Mar (Rs mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Profit Before Tax	14,209	18,948	16,037	18,085	20,074
Depreciation & Amortisation	0	0	0	0	0
Net Interest	0	0	0	0	0
Net Change – WC	(2,446)	(6,959)	813	861	1,030
Direct taxes	0	0	0	0	0
Net cash from operations	11,762	11,990	16,850	18,946	21,104
Capital expenditure	(701)	(756)	(819)	(898)	(738)
Acquisitions, net	0	0	0	0	0
Investments	626	1,548	0	0	0
Others	0	0	0	0	0
Net cash from investing	(75)	792	(819)	(898)	(738)
FCF	11,688	12,782	16,031	18,048	20,366
Issue of share capital	(191)	(93)	0	0	0
Increase/(decrease) in debt	0	0	0	0	0
Dividend paid	(10,575)	(11,670)	(13,780)	(15,707)	(17,558)
Interest paid	0	0	0	0	0
Others	0	0	0	0	0
Net cash from financing	(10,765)	(11,763)	(13,780)	(15,707)	(17,558)
Net change in Cash	922	1,019	2,251	2,341	2,808

Source: Company, Centrum Broking

Disclaimer

Centrum Broking Limited ("Centrum") is a full-service, Stock Broking Company and a member of The Stock Exchange, Mumbai (BSE) and National Stock Exchange of India Ltd. (NSE). Our holding company, Centrum Capital Ltd, is an investment banker and an underwriter of securities. As a group Centrum has Investment Banking, Advisory and other business relationships with a significant percentage of the companies covered by our Research Group. Our research professionals provide important inputs into the Group's Investment Banking and other business selection processes.

Recipients of this report should assume that our Group is seeking or may seek or will seek Investment Banking, advisory, project finance or other businesses and may receive commission, brokerage, fees or other compensation from the company or companies that are the subject of this material/report. Our Company and Group companies and their officers, directors and employees, including the analysts and others involved in the preparation or issuance of this material and their dependants, may on the date of this report or from, time to time have "long" or "short" positions in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. Centrum or its affiliates do not own 1% or more in the equity of this company. Our sales people, dealers, traders and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. We may have earlier issued or may issue in future reports on the companies covered herein with recommendations/information inconsistent or different those made in this report. In reviewing this document, you should be aware that any or all of the foregoing, among other things, may give rise to or potential conflicts of interest. We and our Group may rely on information barriers, such as "Chinese Walls" to control the flow of information contained in one or more areas within us, or other areas, units, groups or affiliates of Centrum. Centrum or its affiliates do not make a market in the security of the company for which this report or any report was written. Further, Centrum or its affiliates did not make a market in the subject company's securities at the time that the research report was published.

This report is for information purposes only and this document/material should not be construed as an offer to sell or the solicitation of an offer to buy, purchase or subscribe to any securities, and neither this document nor anything contained herein shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. This document does not solicit any action based on the material contained herein. It is for the general information of the clients of Centrum. Though disseminated to clients simultaneously, not all clients may receive this report at the same time. Centrum will not treat recipients as clients by virtue of their receiving this report. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Similarly, this document does not have regard to the specific investment objectives, financial situation/circumstances and the particular needs of any specific person who may receive this document. The securities discussed in this report may not be suitable for all investors. The securities described herein may not be eligible for sale in all jurisdictions or to all categories of investors. The countries in which the companies mentioned in this report are organized may have restrictions on investments, voting rights or dealings in securities by nationals of other countries. The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances and objectives. Persons who may receive this document should consider and independently evaluate whether it is suitable for his/ her/their particular circumstances and, if necessary, seek professional/financial advice. Any such person shall be responsible for conducting his/her/their own investigation and analysis of the information contained or referred to in this document and of evaluating the merits and risks involved in the securities forming the subject matter of this document.

The projections and forecasts described in this report were based upon a number of estimates and assumptions and are inherently subject to significant uncertainties and contingencies. Projections and forecasts are necessarily speculative in nature, and it can be expected that one or more of the estimates on which the projections and forecasts were based will not materialize or will vary significantly from actual results, and such variances will likely increase over time. All projections and forecasts described in this report have been prepared solely by the authors of this report independently of the Company. These projections and forecasts were not prepared with a view toward compliance with published guidelines or generally accepted accounting principles. No independent accountants have expressed an opinion or any other form of assurance on these projections or forecasts. You should not regard the inclusion of the projections and forecasts described herein as a representation or warranty by or on behalf of the Company, Centrum, the authors of this report or any other person that these projections or forecasts or their underlying assumptions will be achieved. For these reasons, you should only consider the projections and forecasts described in this report after carefully evaluating all of the information in this report, including the assumptions underlying such projections and forecasts.

The price and value of the investments referred to in this document/material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance. Future returns are not guaranteed and a loss of original capital may occur. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. Centrum does not provide tax advice to its clients, and all investors are strongly advised to consult regarding any potential investment. Centrum and its affiliates accept no liabilities for any loss or damage of any kind arising out of the use of this report. Foreign currencies denominated securities are subject to fluctuations in exchange rates that could have an adverse effect on the value or price of or income derived from the investment. In addition, investors in securities such as ADRs, the value of which are influenced by foreign currencies effectively assume currency risk. Certain transactions including those involving futures, options, and other derivatives as well as non-investment-grade securities give rise to substantial risk and are not suitable for all investors. Please ensure that you have read and understood the current risk disclosure documents before entering into any derivative transactions.

This report/document has been prepared by Centrum, based upon information available to the public and sources, believed to be reliable. No representation or warranty, express or implied is made that it is accurate or complete. Centrum has reviewed the report and, in so far as it includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed. The opinions expressed in this document/material are subject to change without notice and have no obligation to tell you when opinions or information in this report change.

This report or recommendations or information contained herein do/does not constitute or purport to constitute investment advice in publicly accessible media and should not be reproduced, transmitted or published by the recipient. The report is for the use and consumption of the recipient only. This publication may not be distributed to the public used by the public media without the express written consent of Centrum. This report or any portion hereof may not be printed, sold or distributed without the written consent of Centrum.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. "Investment in securities market are subject to market risks. Read all the related documents carefully before investing."

The distribution of this document in other jurisdictions may be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Neither Centrum nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information.

This document does not constitute an offer or invitation to subscribe for or purchase or deal in any securities and neither this document nor anything contained herein shall form the basis of any contract or commitment whatsoever. This document is strictly confidential and is being furnished to you solely for your information, may not be distributed to the press or other media and may not be reproduced or redistributed to any other person. The distribution of this report in other jurisdictions may be restricted by law and persons into whose possession this report comes should inform themselves about, and observe any such restrictions. By accepting this report, you agree to be bound by the foregoing limitations. No representation is made that this report is accurate or complete.

The opinions and projections expressed herein are entirely those of the author and are given as part of the normal research activity of Centrum Broking and are given as of this date and are subject to change without notice. Any opinion estimate or projection herein constitutes a view as of the date of this report and there can be no assurance that future results or events will be consistent with any such opinions, estimate or projection.

This document has not been prepared by or in conjunction with or on behalf of or at the instigation of, or by arrangement with the company or any of its directors or any other person. Information in this document must not be relied upon as having been authorized or approved by the company or its directors or any other person. Any opinions and projections contained herein are entirely those of the authors. None of the company or its directors or any other person accepts any liability whatsoever for any loss arising from any use of this document or its contents or otherwise arising in connection therewith.

Centrum and its affiliates have not managed or co-managed a public offering for the subject company in the preceding twelve months. Centrum and affiliates have not received compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for service in respect of public offerings, corporate finance, debt restructuring, investment banking or other advisory services in a merger/acquisition or some other sort of specific transaction.

As per the declarations given by them, Mr. Soham Samanta and Mr. Ritik Bansal, research analyst and and/or any of their family members do not serve as an officer, director or any way connected to the company/companies mentioned in this report. Further, as declared by them, they were not received any compensation from the above companies in the preceding twelve months. They do not hold any shares by them or through their relatives or in case if holds the shares then will not to do any transactions in the said scrip for 30 days from the date of release such report. Our entire research professionals are our employees and are paid a salary. They do not have any other material conflict of interest of the research analyst or member of which the research analyst knows of has reason to know at the time of publication of the research report or at the time of the public appearance.

While we would endeavour to update the information herein on a reasonable basis, Centrum, its associated companies, their directors and employees are under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent Centrum from doing so.

Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or Centrum policies, in circumstances where Centrum is acting in an advisory capacity to this company, or any certain other circumstances.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would subject Centrum Broking Limited or its group companies to any registration or licensing requirement within such jurisdiction. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market.

Ratings definitions

Our ratings denote the following 12-month forecast returns:

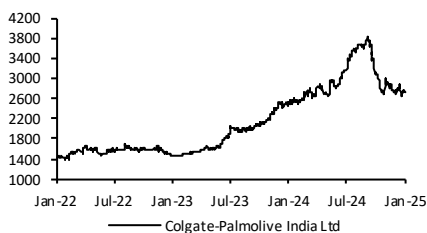
Buy – The stock is expected to return above 15%.

Add – The stock is expected to return 5-15%.

Reduce – The stock is expected to deliver -5--5% returns.

Sell – The stock is expected to deliver <-5% returns.

Colgate Palmolive (India) Ltd



Source: Bloomberg

Disclosure of Interest Statement

1	Business activities of Centrum Broking Limited (CBL)	Centrum Broking Limited (hereinafter referred to as "CBL") is a registered member of NSE (Cash, F&O and Currency Derivatives Segments), MCX-SX (Currency Derivatives Segment) and BSE (Cash segment), Depository Participant of CDSL and a SEBI registered Portfolio Manager.
2	Details of Disciplinary History of CBL	CBL has not been debarred/ suspended by SEBI or any other regulatory authority from accessing /dealing in securities market.
3	Registration status of CBL:	CBL is registered with SEBI as a Research Analyst (SEBI Registration No. INH000001469)
		Colgate Palmolive (India) Ltd
4	Whether Research analyst's or relatives' have any financial interest in the subject company and nature of such financial interest	No
5	Whether Research analyst or relatives have actual / beneficial ownership of 1% or more in securities of the subject company at the end of the month immediately preceding the date of publication of the document.	No
6	Whether the research analyst or his relatives has any other material conflict of interest	No
7	Whether research analyst has received any compensation from the subject company in the past 12 months and nature of products / services for which such compensation is received	No
8	Whether the Research Analyst has received any compensation or any other benefits from the subject company or third party in connection with the research report	No
9	Whether Research Analysts has served as an officer, director or employee of the subject company	No
10	Whether the Research Analyst has been engaged in market making activity of the subject company.	No
11	Whether it or its associates have managed or co-managed public offering of securities for the subject company in the past twelve months;	No
12	Whether it or its associates have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months;	No
13	Whether it or its associates have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months;	No

Member (NSE and BSE). Member MSEI (Inactive)**Single SEBI Regn. No.: INZ000205331****Depository Participant (DP)**CDSL DP ID: 120 – 12200
Single SEBI Regn. No.: IN-DP-537-2020

PORTFOLIO MANAGER

SEBI REGN NO.: INP000004383

Research Analyst
SEBI Registration No. INH000001469Mutual Fund Distributor
AMFI REGN No. ARN- 147569**Website:** www.centrumbroking.com**Investor Grievance Email ID:** investor.grievances@centrum.co.in**Compliance Officer Details:**Ajay S Bendkhale
(022) 4215 9000/9023; Email ID: compliance@centrum.co.in**Centrum Broking Ltd. (CIN :U67120MH1994PLC078125)****Registered and Corporate Office:**
Level -9, Centrum House, C.S.T. Road,
Vidyanagari Marg, Kalina,
Santacruz (East) Mumbai – 400098
Tel.: - +91 22 4215 9000