

Hindustan Unilever | ADD

Stable quarter; acceleration in sales growth will be key

HUL's 3QFY26 Consol. Net sales of INR 162bn (+5.7% YoY; LTL sales growth of 5% YoY with a UVG of 4% YoY) and gross margins were inline however EBITDA (adj for labor code impact) was c.3-4% ahead of ours/consensus est. as impact of higher staff cost (+12.5% YoY) was offset by lower than expected A&P spends (+2.4% YoY). The sales performance can be considered normal as destocking in October was offset by restocking in later half of the quarter. On the outlook, management maintained its guidance of 2HFY26/FY27E being better than 1HFY26/FY26 led by improving macro and internal initiatives. However, it refrained from quantifying the extent of acceleration in sales growth. On the margin front; commodity basket is likely to remain stable to inflationary (but manageable); guidance on EBITDA margin (ex-icecream business) remains unchanged at 22.5-23.5%. Going ahead focus will be on prioritising growth over margins. 9MFY26 margins already at top end of guidance suggest margin expansion is unlikely and earnings growth in FY27 will be driven by revenue performance. We stay constructive and expect execution to improve under new CEO (we estimate c.8% Sales/EBITDA CAGR over FY26-28E vs low single digit CAGR over FY24-26E). We cut our estimates by c.2-3% to factor in ice-cream business demerger; maintain ADD with revised TP of INR 2,695 (earlier INR 2,770). Pace of acceleration in sales growth will be key for rerating from current levels.

Revenue performance largely inline, margin delivery ahead of expectations: During the quarter, ice-cream business operations have been demerged. Reported consol. sales grew c.6% YoY to INR 162.4bn (inline). On LTL basis (excl Minimalist/ice-cream business) sales increased by 5% YoY with UVG of 4% YoY. Gross margins stood at 50.8% (inline), improving c.30bps YoY primarily due to a positive portfolio mix. Staff cost (excluding labor code impact) and other expenses increased 12.5% and 7.6% YoY respectively, while A&P spend rose 2.4% YoY (lower due to phasing issue). Consequently, EBITDA grew 5.7% YoY to INR 39bn (c.4% beat vs. our est.) with margin remaining stable at 24%. PBT (bei) increased 3.5% YoY to INR 36.2bn due to lower other income (-40% YoY). PAT (bei) from continuing operations increased by 0.7% YoY to INR 25.6bn. Reported PAT (from continuing operations) declined 30% YoY to INR 21.2bn, primarily on account of fair valuation impact of financial liabilities linked to restructuring expenses and acquisition/disposal related costs. Reported PAT surged c.121% YoY to INR 66bn, largely driven by one-time exceptional gain following ice-cream business demerger.

Segmental performance: **1) Home care's** sales grew 3% YoY led by mid-single digit UVG as price cuts continued to weigh on growth. Household care sustained double-digit UVG (led by Vim), while Fabric Wash delivered mid-single digit UVG. Liquids portfolio posted double-digit growth. **2) Beauty & wellbeing** delivered USG of 6% YoY with low-single-digit UVG, led by volume-led double digit growth in hair care (outperformance in Dove and TRESemme). Skin Care and Colour Cosmetics saw a strong performance in light moisturisers and winter portfolio offset by subdued performance in the non-winter portfolio. Reported growth was 10.5% YoY as Health & wellbeing (led by Oziva) saw high double digit growth. **3) Personal care** grew 6% led by double digit growth in premium skin cleansing (Pears & Dove) and oral care (much better vs. Colgate's sales growth of 1%) – led by outperformance in Closeup. **4) Foods'** USG grew 6% YoY, driven by high-single digit UVG with broad based growth across categories. Tea growth (two single digit sales growth with mid-single digit UVG) remained subdued due to price cuts in a deflationary commodity environment, while Coffee sustained strong double digit growth. Lifestyle Nutrition and Packaged Foods grew in high-single digits. Kissan masterbrand was extended into new demand spaces with the introduction of the Great Indian Chutneys range.

Financial Summary						(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E	
Net Sales	608,520	621,750	634,153	683,149	738,590	
Sales Growth (%)	2.4	2.2	2.0	7.7	8.1	
EBITDA	146,630	148,510	150,228	162,500	176,459	
EBITDA Margin (%)	23.7	23.5	23.4	23.4	23.5	
Adjusted Net Profit	102,726	104,221	105,919	110,266	121,157	
Diluted EPS (INR)	43.7	44.3	45.1	46.9	51.6	
Diluted EPS Growth (%)	4.0	1.5	1.6	4.1	9.9	
ROIC (%)	24.1	25.8	26.4	27.3	31.1	
ROE (%)	20.2	20.7	21.2	21.8	23.7	
P/E (x)	55.1	54.3	53.5	51.4	46.7	
P/B (x)	11.1	11.5	11.3	11.1	11.0	
EV/EBITDA (x)	37.8	37.4	37.1	34.1	31.3	
Dividend Yield (%)	1.7	2.2	1.8	1.9	2.1	

Source: Company data, JM Financial. Note: Valuations as of 12/Feb/2026



Mehul Desai

mehul.desai@jmfl.com | Tel: (91 22) 66303065

Gaurav Jogani

gaurav.jogani@jmfl.com | Tel: (91 22) 66303085

Pooja Kubadia

pooja.kubadia@jmfl.com | Tel: (91 22) 66303074

Rajat Gupta

rajat.gupta@jmfl.com | Tel: (91 22) 66303077

Recommendation and Price Target

Current Reco.	ADD
Previous Reco.	ADD
Current Price Target (12M)	2,695
Upside/(Downside)	11.8%
Previous Price Target	2,770
Change	-2.7%

Key Data – HUVR IN

Current Market Price	INR2,410
Market cap (bn)	INR5,661.8/US\$62.5
Free Float	31%
Shares in issue (mn)	2,350.0
Diluted share (mn)	2,350.0
3-mon avg daily val (mn)	INR3,798.5/US\$41.9
52-week range	2,737/2,103
Sensex/Nifty	83,675/25,807
INR/US\$	90.6

Price Performance

%	1M	6M	12M
Absolute	0.1	-1.5	4.9
Relative*	0.1	-5.1	-4.5

* To the BSE Sensex

JM Financial Research is also available on: Bloomberg - JMFR <GO>, FactSet, LSEG and S&P Capital IQ.

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

3QFY26 concall highlights

■ Operating environment

- Underlying demand showed steady improvement driven by easing food inflation and improving consumer confidence, indicating a recovery in sentiment and willingness to spend, supported by the RBI's fourth repo rate cut and GST 2.0.
- Input environment remained volatile — palm oil was stable but inflationary long-term, tea was deflationary but showed mild inflation, crude-linked derivatives were benign to deflationary, while non-feedstock commodities were inflationary; rupee depreciation is adding pressure on certain imported inputs.
- Management expects the operating environment to remain conducive for a sustained recovery in consumption, with the Union budget's focus on investment-led growth also auguring well.
- Consumer demand in quick commerce is a mix of demand shift and incremental generation, with a more premiumized portfolio leading to better gross margins.
- The company gained turnover Weighted Market Shares, indicating competitive growth across categories.

■ Home care

- Home care delivered mid-single digit UVG on a base of high single digit UVG. USG was lower (3%) reflecting earlier pricing actions being annualised by the June quarter, but non-feedstock commodities are inflating, leading to calibrated price increases.
- Overall, management expects stable to inflationary commodity trends, resulting in low single-digit price increases for the year.
- The segment continued to gain market share, achieving its highest ever share, strengthening its leadership position.
- Margins are healthy, reflecting a structural shift towards a more premium product mix over time.
- Fabric wash remained competitive (mid-single digit UVG) while household care/liquids continued to accelerate with double-digit UVG.
- Liquids and powder categories would be key focus area to scale as there is huge growth headroom available.
- To accelerate premiumization in laundry powders, HUL intensified activations with a new INR99 Surf Excel pack, aiming to attract first-time users into the premium segment.

■ Beauty and wellbeing

- Beauty & wellbeing grew 6% YoY led by strong haircare performance and robust Health & Wellbeing (high double-digit growth).
- This segment strengthened its market-leading position, particularly in skincare and color cosmetics. Winter portfolio delivered double digit growth while non-winter portfolio has been relatively challenged.
- Company's one of the focus areas going forward is to move this portfolio towards high-growth space.
- Minimalist & Oziva continue to scale and are aiding margin profile and growth. Both these brands have now built an ARR of INR 1,100 Cr.
- Minimalist & Oziva both saw fair-valuation increase/accounting gains in the quarter, which materially lifted reported PAT.

■ Personal care

- Personal care posted 6% USG led by double-digit growth in premium skin-cleansing and oral care. Skin cleansing posted mid-single-digit growth driven by outperformance in premium brands Pears and Dove.
- Personal Care reinforced its market leadership in skin cleansing, with double-digit growth in body wash where company is accelerating market development activities.
- Body wash is a core strategic priority for the company with strong differentiated portfolio across Lux, Pears and Dove. Sustained brand investment and sharp execution helped the company to triple turnover over past three years.
- Deodorant segment witnessed double digit growth although on small base.

■ Foods

- Foods delivered c.6% USG with broad-based improvement, driven by high single digit UVG.
- Tea mid-single digit UVG (reflecting earlier price reductions in a deflationary commodity environment), coffee strong double-digit, and lifestyle nutrition growing high-single digits led by Horlicks/Boost. Management launched innovations (e.g., Horlicks Superfoods, zero added sugar variant) to strengthen relevance.
- Packaged foods delivered high single digit UVG, supported by ketchup, Mayonnaise, Soups and Unilever Food Services
- In this, modern trade/e-com channels remain key growth drivers with competitive double digit growth.
- The Kissan master brand is extending into new demand spaces like chutneys, which offer significantly broader consumption potential, nearly four times that of ketchup

■ Near term outlook

- Topline growth over margins remains the number one priority, with continued investment to support sustained, volume-led, and competitive growth.
- Management has guided that 2HFY26 will be better than 1HFY26 and FY27 growth to be better than FY26.
- Management expects EBITDA margin to remain around the guided range, which is 22% to 23%, with an implied 50bps benefit from the ice cream demerger, suggesting 22.5% to 23.5%.

■ Channels of the future/Quick commerce

- Quick commerce is a critical, fast-scaling channel, doubling every quarter and reshaping how consumers discover, shop, and replenish. It currently contributes around 3% of the business but is expected to scale meaningfully in the near term.
- A dedicated Quick Commerce organization has been established, with its lead reporting directly to the HUL sales head for faster decisions and sharper execution.
- Company is deploying advanced supply chain capabilities to build an adaptive operative model – highly agile, efficient and connected supply chain design for the speed and precision to meet demand.
- These efforts have led to a 1400bps improvement in service levels and a 20% reduction in lead time from PO generation to servicing.
- Investments are being made in people, bespoke supply chain tech, and digital marketing capabilities, with partnerships enabling data exchange for stronger forecasting.
- Quick commerce generates better gross margins than modern trade, which in turn is better than general trade, due to the premium portfolio.

■ Acquisitions/Demerger

- The company completed the demerger of its ice cream business in December, with Kwality Wall's (KWIL) is expected to be listed on February 16th.
- BODs have approved the acquisition of the remaining 49% stake in Oziva for INR 824 Cr, citing its significant scaling and robust performance over three years, driven by innovation and effective digital first demand generation. Company has expanded minimalist brand into 25,000+ offline stores from 3,000 since acquisition.
- The company divested its minority stake in Nutritional Lab Private Limited to USV Private Limited for INR 307 Cr.
- Post-acquisition, Minimalist expanded into over 25,000 offline stores from 3,000 with improved brand awareness, contributing to strong double-digit growth and leveraging HUL technology to create a robust pipeline of innovations.
- Continued portfolio reshaping: completion of ice-cream demerger; acquisition of the remaining 49% stake in Oziva (INR 824 Cr) and divestment of minority stake in Nutritionalab (INR 307cr). These moves support the company maintaining a strategy of continuously rotating and sharpening its portfolio, making decisive actions to double down on successful investments

■ Other highlights

- Management is guiding product development and marketing with a "SASSY" framework, exemplified by the new TRESemme Hydra Matrix range featuring polyglutamic acid ingredient for 5x more hydration.
- To build a simpler, more agile organization that can execute with greater speed, accountability and precision. All business unit heads will now directly report to MD&CEO instead of the earlier dual reporting structure. Chief Marketing Officer appointed under each of the business units who will play pivotal role in building desirable brands
- The December quarter was considered normalized for growth, reflecting downstocking in October and subsequent restocking in November.
- Inventory at both distributor and retailer levels normalized by December end, reaching similar levels as August end.

Exhibit 1. 3QFY26 result snapshot (consol.): Revenue and gross margin inline, while EBITDA ahead of estimate

INR mn	CONSOLIDATED					PARENT		
	3QFY26	3QFY25*	YoY growth	3QFY26E	% variance	3QFY26	3QFY25*	YoY growth
Net Sales	1,62,350	1,53,530	5.7%	1,60,534	1.1%	1,56,140	1,49,580	4.4%
Other Operating Income	2,060	2,030	1.5%	2,200	-6.4%	1,910	1,880	1.6%
Total Revenue	1,64,410	1,55,560	5.7%	1,62,734	1.0%	1,58,050	1,51,460	4.4%
Gross Profit	82,440	77,530	6.3%	81,391	1.3%	77,600	74,580	4.0%
Gross Profit Margin %	50.8%	50.5%	28 bps	50.7%	8 bps	49.7%	49.9%	-16 bps
Staff Cost	8,010	7,120	12.5%	7,063	13.4%	8,200	6,530	25.6%
Advertisement & Sales Promotion	15,220	14,860	2.4%	16,374	-7.1%	13,840	14,450	-4.2%
Other Expenses	22,260	20,690	7.6%	22,702	-1.9%	21,070	19,840	6.2%
EBITDA	39,010	36,890	5.7%	37,451	4.2%	36,400	35,640	2.1%
EBITDA margin - % of net sales	24.0%	24.0%	0 bps	23.3%	70 bps	23.3%	23.8%	-51 bps
Depreciation	3,370	3,180	6.0%	3,600	-6.4%	2,990	2,850	4.9%
EBIT	35,640	33,710	5.7%	33,851	5.3%	33,410	32,790	1.9%
Interest Expense	880	1,090	-19.3%	1,300	-32.3%	840	1,020	-17.6%
Financial Other Income	1,390	2,320	-40.1%	1,700	-18.2%	2,210	3,120	-29.2%
PBT (before exceptional)	36,150	34,940	3.5%	34,251	5.5%	34,780	34,890	-0.3%
PBT (incl exceptional)	30,390	40,320	-24.6%	34,251	-11.3%	33,660	40,290	-16.5%
Share of profit of associate	-70	10	NM	-20	NM	0	0	NM
Minority Interest	-40	50	NM	100	NM	0	0	NM
Adjusted Net Profit	25,620	25,430	0.7%	25,226	1.6%	25,620	25,430	0.7%

Source: Company, JM Financial. *Restated figures

Exhibit 2. Segmental performance: Beauty & wellbeing and Foods drive growth; Home care steady, Personal care premium-led

INR mn	CONSOLIDATED			PARENT		
	3QFY26	3QFY25*	YoY %	3QFY26	3QFY25*	YoY %
Segment Revenue						
Home Care	58,870	57,390	2.6%	58,900	57,420	2.6%
Beauty & Wellbeing	39,300	35,560	10.5%	35,950	34,380	4.6%
Personal Care	23,700	22,430	5.7%	23,710	22,460	5.6%
Foods & Refreshments	36,890	34,830	5.9%	36,890	34,830	5.9%
Others	5,650	5,350	5.6%	2,600	2,370	9.7%
Total Segment Revenue - Gross	1,64,410	1,55,560	5.7%	1,58,050	1,51,460	4.4%
Segment EBIT						
Home Care	11,000	10,860	1.3%	10,620	10,540	0.8%
Beauty & Wellbeing	10,250	10,180	0.7%	10,390	10,120	2.7%
Personal Care	4,210	4,010	5.0%	4,140	3,950	4.8%
Foods & Refreshments	7,730	7,720	0.1%	7,730	7,720	0.1%
Others	1,320	940	40.4%	530	460	15.2%
Total Segment EBIT	34,510	33,710	2.4%	33,410	32,790	1.9%
Net Unallocable Expense	5,760	-5,380	-207.1%	1,120	-5,400	-120.7%
Net Financial Income	510	1,230	-58.5%	1,370	2,100	-34.8%
PBT before exceptional items	35,020	34,940	0.2%	34,780	34,890	-0.3%
Reported PBT	29,260	40,320	-27.4%	33,660	40,290	-16.5%
Adjusted Net Profit	25,620	25,430	0.7%	25,620	25,430	0.7%
Segment Margin %						
Home Care	18.7%	18.9%	-24 bps	18.0%	18.4%	-33 bps
Beauty & Wellbeing	26.1%	28.6%	-255 bps	28.9%	29.4%	-53 bps
Personal Care	10.7%	11.3%	-56 bps	11.5%	11.5%	3 bps
Foods & Refreshments	21.0%	22.2%	-121 bps	21.0%	22.2%	-121 bps
Others	23.4%	17.6%	579 bps	20.4%	19.4%	98 bps
Total Segment Margin %	21.0%	21.7%	-68 bps	21.1%	21.6%	-51 bps

Source: Company, JM Financial. *Restated figures

Exhibit 3. Quarterly financial performance – consolidated basis

INR mn	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25*	4QFY25	1QFY26	2QFY26*	3QFY26
Volume growth	2.0%	2.0%	2.0%	4.0%	3.0%	0.0%	2.0%	4.0%	0.0%	5.0%
Sales	153,640	152,940	150,410	155,230	157,290	1,53,530	154,460	163,230	1,57,420	1,62,350
YoY	3.1%	-0.3%	0.6%	1.7%	2.4%	0.4%	2.7%	5.2%	0.1%	5.7%
Other Operating Income	2,590	2,730	1,690	1,840	1,970	2,030	2,240	1,910	1,770	2,060
Total sales	156,230	155,670	152,100	157,070	159,260	1,55,560	156,700	165,140	1,59,190	1,64,410
YoY	3.2%	-0.2%	0.0%	1.4%	1.9%	-0.1%	3.0%	5.1%	0.0%	5.7%
Gross Profit	82,780	80,880	79,530	81,620	82,170	79,560	80,470	82,730	82,050	84,500
Staff cost	7,660	7,060	8,320	6,560	8,220	7,120	8,560	7,260	7,250	8,010
YoY	1.1%	-2.2%	12.7%	-7.0%	7.3%	0.8%	2.9%	10.7%	-11.8%	12.5%
A&P spends	17,420	16,260	16,160	16,810	15,010	14,860	15,100	16,560	16,320	15,220
YoY	65.4%	34.5%	23.3%	11.7%	-13.8%	-8.6%	-6.6%	-1.5%	8.7%	2.4%
Other expenses	19,730	20,900	19,700	20,810	21,010	20,690	20,620	21,730	20,630	22,260
YoY	19.1%	12.1%	6.7%	7.2%	6.5%	-1.0%	4.7%	4.4%	-1.8%	7.6%
EBITDA	37,970	36,660	35,350	37,440	37,930	36,890	36,190	37,180	37,850	39,010
YoY	9.1%	-0.8%	-1.1%	2.2%	-0.1%	0.6%	2.4%	-0.7%	-0.2%	5.7%
Depreciation	2,970	3,130	3,200	3,290	3,380	3,180	3,470	3,610	3,220	3,370
Interest	880	910	1,050	930	1,100	1,090	800	1,270	1,240	880
Other income	1,830	2,140	2,310	2,570	2,190	2,320	3,090	2,010	1,470	1,390
PBT	35,950	34,760	33,410	35,790	35,640	34,940	35,010	34,310	34,860	36,150
YoY	9.3%	-0.2%	-2.1%	1.9%	-0.9%	0.5%	4.8%	-4.1%	-2.2%	3.5%
Exceptional Items /(Income)	50	300	(780)	480	160	(5,380)	1,380	1,270	(2,190)	5,760
Tax	9,310	9,370	8,580	9,170	9,470	10,060	8,870	5,350	9,110	8,010
PAT	26,560	25,090	25,580	26,100	25,910	29,840	24,640	27,560	26,850	67,200
YoY	-0.3%	1.4%	-1.6%	2.2%	-2.4%	18.9%	-3.7%	5.6%	3.6%	125.2%
PAT before exceptional items	26,628	25,310	26,070	26,460	25,940	25,430	24,970	25,260	24,820	25,620
YoY	-1.1%	-1.0%	-1.6%	2.4%	-2.6%	0.5%	-4.2%	-4.5%	-4.3%	0.7%
% to sales	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25*	4QFY25	1QFY26	2QFY26*	3QFY26
Gross margin	53.9%	52.9%	52.9%	52.6%	52.2%	51.8%	52.1%	50.7%	52.1%	52.0%
Staff cost	5.0%	4.6%	5.5%	4.2%	5.2%	4.6%	5.5%	4.4%	4.6%	4.9%
A&P spends	11.3%	10.6%	10.7%	10.8%	9.5%	9.7%	9.8%	10.1%	10.4%	9.4%
Other expenses	12.8%	13.7%	13.1%	13.4%	13.4%	13.5%	13.3%	13.3%	13.1%	13.7%
EBITDA margin	24.7%	24.0%	23.5%	24.1%	24.1%	24.0%	23.4%	22.8%	24.0%	24.0%

Source: Company, JM Financial. *Restated figures

Exhibit 4. Quarterly segmental performance – on consolidated basis

Segment sales	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25*	4QFY25	1QFY26	2QFY26*	3QFY26*
Home Care	53,080	54,440	57,090	56,730	57,310	57,390	58,150	57,770	56,640	58,870
YoY				4.6%	8.0%	5.4%	1.9%	1.8%	-1.2%	2.6%
Beauty & Wellbeing	33,370	34,670	30,620	32,810	34,210	35,560	32,650	36,310	37,320	39,300
YoY				3.5%	2.5%	2.6%	6.6%	10.7%	9.1%	10.5%
Personal Care	25,360	23,150	20,630	23,860	24,110	22,430	21,260	25,400	24,250	23,700
YoY				-4.5%	-4.9%	-3.1%	3.1%	6.5%	0.6%	5.7%
Foods	38,510	37,330	39,100	38,500	38,030	34,830	38,960	40,160	35,470	36,890
YoY				1.4%	-1.2%	-6.7%	-0.4%	4.3%	-6.7%	5.9%
Others	5,910	6,080	4,660	5,170	5,600	5,350	5,680	5,500	5,510	5,650
YoY				-15.2%	-5.2%	-12.0%	21.9%	6.4%	-1.6%	5.6%
Total Segment	156,230	155,670	152,100	157,070	159,260	155,560	156,700	165,140	159,190	1,64,410
YoY				1.4%	1.9%	-0.1%	3.0%	5.1%	0.0%	5.7%
Segment EBIT	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25*	4QFY25	1QFY26	2QFY26*	3QFY26*
Home Care	10,140	9,890	11,110	11,360	11,140	10,860	10,930	11,290	10,830	11,000
YoY				12.1%	9.9%	9.8%	-1.6%	-0.6%	-2.8%	1.3%
Beauty & Wellbeing	11,180	10,960	9,120	10,010	11,230	10,180	10,460	9,990	10,610	10,250
YoY				-2.2%	0.4%	-7.1%	14.7%	-0.2%	-5.5%	0.7%
Personal Care	4,640	3,690	3,790	4,250	4,070	4,010	3,980	4,750	4,920	4,210
YoY				-5.3%	-12.3%	8.7%	5.0%	11.8%	20.9%	5.0%
Foods	7,200	7,110	7,390	7,360	6,900	7,720	6,270	6,520	7,210	7,730
YoY				8.1%	-4.2%	8.6%	-15.2%	-11.4%	4.5%	0.1%
Others	1,840	1,880	740	1,170	1,210	940	1,080	1,020	1,060	1,320
YoY				-45.1%	-34.2%	-50.0%	45.9%	-12.8%	-12.4%	40.4%
Total Segment	35,000	33,530	32,150	34,150	34,550	33,710	32,720	33,570	34,630	34,510
YoY				1.1%	-1.3%	0.5%	1.8%	-1.7%	0.2%	2.4%
EBIT margins (%)	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25*	4QFY25	1QFY26	2QFY26*	3QFY26*
Home Care	19.1%	18.2%	19.5%	20.0%	19.4%	18.9%	18.8%	19.5%	19.1%	18.7%
Beauty & wellbeing	33.5%	31.6%	29.8%	30.5%	32.8%	28.6%	32.0%	27.5%	28.4%	26.1%
Personal care	18.3%	15.9%	18.4%	17.8%	16.9%	17.9%	18.7%	18.7%	20.3%	17.8%
Foods	18.7%	19.0%	18.9%	19.1%	18.1%	22.2%	16.1%	16.2%	20.3%	21.0%
Others	31.1%	30.9%	15.9%	22.6%	21.6%	17.6%	19.0%	18.5%	19.2%	23.4%
Total Margins	22.4%	21.5%	21.1%	21.7%	21.7%	21.7%	20.9%	20.3%	21.8%	21.0%
Revenue mix (%)	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25*	4QFY25	1QFY26	2QFY26*	3QFY26*
Home Care	34.0%	35.0%	37.5%	36.1%	36.0%	36.9%	37.1%	35.0%	35.6%	35.8%
Beauty & wellbeing	21.4%	22.3%	20.1%	20.9%	21.5%	22.9%	20.8%	22.0%	23.4%	23.9%
Personal care	16.2%	14.9%	13.6%	15.2%	15.1%	14.4%	13.6%	15.4%	15.2%	14.4%
Foods	24.6%	24.0%	25.7%	24.5%	23.9%	22.4%	24.9%	24.3%	22.3%	22.4%
Others	3.8%	3.9%	3.1%	3.3%	3.5%	3.4%	3.6%	3.3%	3.5%	3.4%
EBIT mix (%)	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25*	4QFY25	1QFY26	2QFY26*	3QFY26*
Home Care	29.0%	29.5%	34.6%	33.3%	32.2%	32.2%	33.4%	33.6%	31.3%	31.9%
Beauty & wellbeing	31.9%	32.7%	28.4%	29.3%	32.5%	30.2%	32.0%	29.8%	30.6%	29.7%
Personal care	13.3%	11.0%	11.8%	12.4%	11.8%	11.9%	12.2%	14.1%	14.2%	12.2%
Foods	20.6%	21.2%	23.0%	21.6%	20.0%	22.9%	19.2%	19.4%	20.8%	22.4%
Others	5.3%	5.6%	2.3%	3.4%	3.5%	2.8%	3.3%	3.0%	3.1%	3.8%

Source: Company, JM Financial. Note: HUL started to report Beauty & wellbeing and Personal care as two separate segments from 1QFY25 onwards. *Restated figures

Exhibit 5. Quarterly financial performance – standalone basis

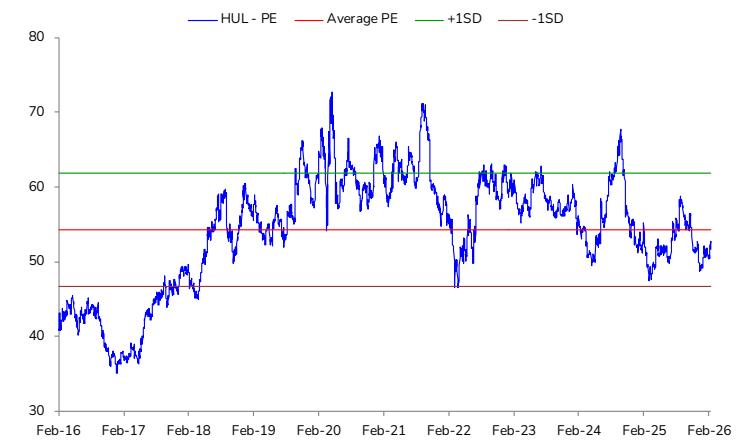
INR mn	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25*	4QFY25	1QFY26	2QFY26*	3QFY26*
Sales	150,270	149,280	146,930	151,660	153,190	1,49,580	1,50,000	1,57,470	1,50,990	1,56,140
YoY	3.5%	-0.4%	0.4%	1.6%	1.9%	0.2%	2.1%	3.8%	-1.4%	4.4%
Other Operating Income	2,490	2,600	1,640	1,730	1,890	1,880	2,140	1,840	1,640	1,910
Total sales	152,760	151,880	148,570	153,390	155,080	1,51,460	1,52,140	1,59,310	1,52,630	1,58,050
YoY	3.6%	-0.3%	-0.2%	1.3%	1.5%	-0.3%	2.4%	3.9%	-1.6%	4.4%
Gross Profit	80,550	78,210	77,060	78,910	79,150	76,460	76,800	78,420	77,090	79,510
Staff cost	7,080	6,490	7,740	6,020	7,650	6,530	7,890	6,570	6,520	8,200
YoY	-0.1%	-4.0%	13.3%	-7.5%	8.1%	0.6%	1.9%	9.1%	-14.8%	25.6%
A&P spends	17,200	15,930	15,860	16,440	14,640	14,450	14,540	15,560	14,980	13,840
YoY	65.2%	32.8%	22.9%	11.0%	-14.9%	-9.3%	-8.3%	-5.4%	2.3%	-4.2%
Other expenses	19,330	20,390	19,110	20,390	20,390	19,840	19,710	20,710	19,400	21,070
YoY	18.6%	12.2%	5.6%	6.9%	5.5%	-2.7%	3.1%	1.6%	-4.9%	6.2%
EBITDA	36,940	35,400	34,350	36,060	36,470	35,640	34,660	35,580	36,190	36,400
YoY	9.4%	0.1%	-1.0%	2.4%	-1.3%	0.7%	0.9%	-1.3%	-0.8%	2.1%
Depreciation	2,690	2,820	2,890	2,980	3,050	2,850	3,130	3,240	2,880	2,990
Interest	720	810	1,020	850	990	1,020	750	1,100	1,060	840
Other income	2,830	2,850	2,200	2,570	3,090	3,120	2,990	2,470	2,280	2,210
PBT	36,360	34,620	32,640	34,800	35,520	34,890	33,770	33,710	34,530	34,780
YoY	13.0%	-0.5%	-2.4%	2.3%	-2.3%	0.8%	3.5%	-3.1%	-2.8%	-0.3%
Exceptional Items /(-Income)	50	300	170	480	160	(5,400)	230	1,270	(2,190)	1,120
Tax	9,140	9,130	8,410	8,940	9,240	9,900	8,610	5,120	8,850	7,760
PAT	27,170	25,190	24,060	25,380	26,120	30,010	24,930	27,320	26,900	70,750
YoY	3.9%	0.6%	-5.7%	2.7%	-3.9%	19.1%	3.6%	7.6%	3.0%	135.8%
PAT before exceptional items	26,680	25,410	23,960	25,720	26,110	25,430	24,970	24,900	24,780	25,620
YoY	12.1%	-1.5%	-3.0%	2.9%	-2.1%	0.1%	4.2%	-3.2%	-5.1%	0.7%
% to sales	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25*	4QFY25	1QFY26	2QFY26*	3QFY26*
Gross margin	53.6%	52.4%	52.4%	52.0%	51.7%	51.1%	51.2%	49.8%	51.1%	50.9%
Staff cost	4.7%	4.3%	5.3%	4.0%	5.0%	4.4%	5.3%	4.2%	4.3%	5.3%
A&P spends	11.4%	10.7%	10.8%	10.8%	9.6%	9.7%	9.7%	9.9%	9.9%	8.9%
Other expenses	12.9%	13.7%	13.0%	13.4%	13.3%	13.3%	13.1%	13.2%	12.8%	13.5%
EBITDA margin	24.6%	23.7%	23.4%	23.8%	23.8%	23.8%	23.1%	22.6%	24.0%	23.3%

Source: Company, JM Financial.*Restated figures

Exhibit 6. HUL's 5yr avg. PE Band



Exhibit 7. HUL's 10yr avg. PE Band



Source: Bloomberg, Company, JM Financial

Source: Bloomberg, Company, JM Financial

Exhibit 8. Revision in estimates

INR mn	Revised			Earlier			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Sales	6,34,153	6,83,149	7,38,590	6,54,423	7,04,284	7,60,271	-3.1%	-3.0%	-2.9%
EBITDA	1,50,228	1,62,500	1,76,459	1,51,685	1,65,589	1,81,557	-1.0%	-1.9%	-2.8%
PAT	1,05,919	1,10,266	1,21,157	1,02,742	1,12,285	1,24,741	3.1%	-1.8%	-2.9%
EPS	45.1	46.9	51.6	43.7	47.8	53.1	3.1%	-1.8%	-2.9%

Source: Company, JM Financial

Financial Tables (Consolidated)

Income Statement					(INR mn)	Balance Sheet					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E	Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	608,520	621,750	634,153	683,149	738,590	Shareholders' Fund	512,180	494,020	503,215	508,369	515,356
Sales Growth	2.4%	2.2%	2.0%	7.7%	8.1%	Share Capital	2,350	2,350	2,350	2,350	2,350
Other Operating Income	10,440	9,460	9,069	10,236	11,066	Reserves & Surplus	509,830	491,670	500,865	506,019	513,006
Total Revenue	618,960	631,210	643,222	693,384	749,656	Preference Share Capital	0	0	0	0	0
Cost of Goods Sold/Op. Exp	297,600	305,780	313,667	337,387	364,122	Minority Interest	2,050	2,070	2,347	2,646	2,974
Personnel Cost	30,090	30,770	31,898	34,021	36,412	Total Loans	130	10	10	10	10
Other Expenses	144,640	146,150	147,430	159,476	172,663	Def. Tax Liab. / Assets (-)	80,180	83,150	84,797	85,703	86,654
EBITDA	146,630	148,510	150,228	162,500	176,459	Total - Equity & Liab.	594,540	579,250	590,369	596,728	604,994
<i>EBITDA Margin</i>	23.7%	23.5%	23.4%	23.4%	23.5%	Net Fixed Assets	547,690	553,440	585,374	581,077	575,899
<i>EBITDA Growth</i>	3.6%	1.3%	1.2%	8.2%	8.6%	Gross Fixed Assets	109,990	120,040	129,040	138,040	147,040
Depn. & Amort.	12,160	13,550	13,258	14,181	15,107	Intangible Assets	457,130	457,100	492,450	492,450	492,450
EBIT	134,470	134,960	136,969	148,319	161,352	Less: Depn. & Amort.	44,820	50,630	63,888	78,069	93,176
Other Income	8,110	10,170	6,235	5,499	7,174	Capital WIP	25,390	26,930	27,772	28,656	29,584
Finance Cost	3,340	3,950	4,202	4,271	4,290	Investments	46,370	38,330	65,861	69,704	73,929
PBT before Excep. & Forex	139,240	141,180	139,002	149,547	164,236	Current Assets	190,830	206,860	160,077	189,105	217,749
Excep. & Forex Inc./Loss(-)	60	3,050	-4,820	0	0	Inventories	40,220	44,150	43,435	46,697	50,386
PBT	139,300	144,230	134,182	149,547	164,236	Sundry Debtors	29,970	38,190	39,960	41,176	44,518
Taxes	36,440	37,440	31,533	38,882	42,701	Cash & Bank Balances	75,590	75,540	27,996	49,844	68,477
Extraordinary Inc./Loss(-)	0	0	0	0	0	Loans & Advances	35,000	35,830	34,878	36,890	39,145
Assoc. Profit/Min. Int.(-)	40	180	197	159	228	Other Current Assets	10,050	13,150	13,808	14,498	15,223
Reported Net Profit	102,800	106,530	102,292	110,226	121,107	Current Liab. & Prov.	190,350	219,380	220,943	243,158	262,582
Adjusted Net Profit	102,726	104,221	105,919	110,266	121,157	Current Liabilities	128,760	142,340	148,574	158,538	171,174
<i>Net Margin</i>	16.6%	16.5%	16.5%	15.9%	16.2%	Provisions & Others	61,590	77,040	72,369	84,620	91,408
Diluted Share Cap. (mn)	2,350.0	2,350.0	2,350.0	2,350.0	2,350.0	Net Current Assets	480	-12,520	-60,865	-54,053	-44,834
Diluted EPS (INR)	43.7	44.3	45.1	46.9	51.6	Total - Assets	594,540	579,250	590,369	596,728	604,994
<i>Diluted EPS Growth</i>	4.0%	1.5%	1.6%	4.1%	9.9%						
Total Dividend + Tax	98,680	124,530	102,232	110,266	121,157						
Dividend Per Share (INR)	42.0	53.0	43.5	46.9	51.6						

Source: Company, JM Financial

Cash Flow Statement					(INR mn)	Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E	Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	139,290	144,190	134,102	149,407	164,136	Net Margin	16.6%	16.5%	16.5%	15.9%	16.2%
Depn. & Amort.	12,160	13,630	13,258	14,181	15,107	Asset Turnover (x)	0.9	0.9	0.9	0.9	1.0
Net Interest Exp. / Inc. (-)	-4,770	-6,220	-2,033	-1,228	-2,885	Leverage Factor (x)	1.4	1.4	1.5	1.5	1.5
Inc (-) / Dec in WCap.	13,130	-7,880	6,935	4,033	3,959	RoE	20.2%	20.7%	21.2%	21.8%	23.7%
Others	-1,310	-2,180	-337	-259	-278						
Taxes Paid	-3,810	-22,680	-37,667	-27,879	-37,247						
Operating Cash Flow	154,690	118,860	114,259	138,254	142,793						
Capex	-14,570	-12,620	-38,030	-9,000	-9,000						
Free Cash Flow	140,120	106,240	76,229	129,254	133,793						
Inc (-) / Dec in Investments	-42,920	63,050	-27,531	-3,843	-4,225						
Others	4,250	14,300	720	5,521	7,197						
Investing Cash Flow	-53,240	64,730	-64,841	-7,322	-6,028						
Inc / Dec (-) in Capital	0	0	0	0	0						
Dividend + Tax thereon	-94,160	-124,730	-93,037	-105,112	-114,170						
Inc / Dec (-) in Loans	-850	0	0	0	0						
Others	-5,330	-6,280	-3,925	-3,972	-3,962						
Financing Cash Flow	-100,340	-131,010	-96,962	-109,084	-118,132						
Inc / Dec (-) in Cash	1,110	52,580	-47,544	21,848	18,633						
Opening Cash Balance	74,480	22,960	75,540	27,996	49,844						
Closing Cash Balance	75,590	75,540	27,996	49,844	68,477						

Source: Company, JM Financial

History of Recommendation and Target Price

Recommendation History

Date	Recommendation	Target Price	% Chg.
20-Jan-23	Buy	2,875	
27-Apr-23	Buy	2,790	-3.0
20-Jul-23	Buy	2,980	6.8
9-Oct-23	Buy	2,905	-2.5
20-Oct-23	Buy	2,880	-0.9
8-Jan-24	Buy	3,000	4.2
19-Jan-24	Buy	2,970	-1.0
25-Apr-24	Buy	2,640	-11.1
24-Jul-24	Buy	2,915	10.4
23-Oct-24	Buy	2,870	-1.5
1-Dec-24	Buy	2,870	0.0
22-Jan-25	Buy	2,600	-9.4
4-Apr-25	Buy	2,485	-4.4
24-Apr-25	Buy	2,555	2.8
4-Jul-25	Buy	2,555	0.0
31-Jul-25	Buy	2,770	8.4
17-Aug-25	Buy	2,770	0.0
8-Oct-25	Add	2,800	1.1
23-Oct-25	Add	2,770	-1.1
6-Jan-26	Add	2,770	0.0

Hindustan Unilever



APPENDIX I

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Research Analyst(s) Certification

The Research Analyst(s), with respect to each issuer and its securities covered by them in this research report, certify that:

All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this research report.

Rating System: Definition of ratings	
Rating	Meaning
BUY	Expected return $\geq 15\%$ over the next twelve months.
ADD	Expected return $\geq 5\%$ and $< 15\%$ over the next twelve months.
REDUCE	Expected return $\geq -10\%$ and $< 5\%$ over the next twelve months.
SELL	Expected return $< -10\%$ over the next twelve months.

Note: For REITs (Real Estate Investment Trust) and InvIT (Infrastructure Investment Trust) total expected returns include dividends or DPU (distribution per unit)

Important Disclosures

This research report has been prepared by JM Financial Institutional Securities Limited (JM Financial Institutional Securities) to provide information about the company(ies) and sector(s), if any, covered in the report and may be distributed by it and/or its associates solely for the purpose of information of the select recipient of this report. This report and/or any part thereof, may not be duplicated in any form and/or reproduced or redistributed without the prior written consent of JM Financial Institutional Securities. This report has been prepared independent of the companies covered herein.

JM Financial Institutional Securities is registered with the Securities and Exchange Board of India (SEBI) as a Research Analyst and a Stock Broker having trading memberships of the BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). No material disciplinary action has been taken by SEBI against JM Financial Institutional Securities in the past two financial years which may impact the investment decision making of the investor. Registration granted by SEBI and certification from the National Institute of Securities Market (NISM) in no way guarantee performance of JM Financial Institutional Securities or provide any assurance of returns to investors.

JM Financial Institutional Securities renders stock broking services primarily to institutional investors and provides the research services to its institutional clients/investors. JM Financial Institutional Securities and its associates are part of a multi-service, integrated investment banking, investment management, brokerage and financing group. JM Financial Institutional Securities and/or its associates might have provided or may provide services in respect of managing offerings of securities, corporate finance, investment banking, mergers & acquisitions, broking, financing or any other advisory services to the company(ies) covered herein. JM Financial Institutional Securities and/or its associates might have received during the past twelve months or may receive compensation from the company(ies) mentioned in this report for rendering any of the above services.

JM Financial Institutional Securities and/or its associates, their directors and employees may: (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) covered under this report or (c) act as an advisor or lender/borrower to, or may have any financial interest in, such company(ies) or (d) considering the nature of business/activities that JM Financial Institutional Securities is engaged in, it may have potential conflict of interest at the time of publication of this report on the subject company(ies).

Neither JM Financial Institutional Securities nor its associates or the Research Analyst(s) named in this report or his/her relatives individually own one per cent or more securities of the company(ies) covered under this report, at the relevant date as specified in the SEBI (Research Analysts) Regulations, 2014.

The Research Analyst(s) principally responsible for the preparation of this research report and their immediate relatives are prohibited from buying or selling debt or equity securities, including but not limited to any option, right, warrant, future, long or short position issued by company(ies) covered under this report. The Research Analyst(s) principally responsible for the preparation of this research report or their immediate relatives (as defined under SEBI (Research Analysts) Regulations, 2014); (a) do not have any financial interest in the company(ies) covered under this report or (b) did not receive any compensation from the company(ies) covered under this report, or from any third party, in connection with this report or (c) do not have any other material conflict of interest at the time of publication of this report. Research Analyst(s) are not serving as an officer, director or employee of the company(ies) covered under this report.

While reasonable care has been taken in the preparation of this report, it does not purport to be a complete description of the securities, markets or developments referred to herein, and JM Financial Institutional Securities does not warrant its accuracy or completeness. JM Financial Institutional Securities may not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. This report is provided for information only and is not an investment advice and must not alone be taken as the basis for an investment decision.

This research report is based on the fundamental research/analysis conducted by the Research Analyst(s) named herein. Accordingly, this report has been prepared by studying/focusing on the fundamentals of the company(ies) covered in this report and other macro-economic factors. JM Financial Institutional Securities may have also issued or may issue, research reports and/or recommendations based on the technical/quantitative analysis of the company(ies) covered in this report by studying and using charts of the stock's price movement, trading volume and/or other volatility parameters. As a result, the views/recommendations expressed in such technical research reports could be inconsistent or even contrary to the views contained in this report.

The investment discussed or views expressed or recommendations/opinions given herein may not be suitable for all investors. The user assumes the entire risk of any use made of this information. The information contained herein may be changed without notice and JM Financial Institutional Securities reserves the right to make modifications and alterations to this statement as they may deem fit from time to time.

This report is neither an offer nor solicitation of an offer to buy and/or sell any securities mentioned herein and/or not an official confirmation of any transaction.

This report is not directed 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, regulation or which would subject JM Financial Institutional Securities and/or its affiliated company(ies) to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to a certain category of investors. Persons in whose possession this report may come, are required to inform themselves of and to observe such restrictions. Please click [here](#) to access our detailed Terms and Conditions, including the Most Important Terms and Conditions.

Additional disclosure only for U.S. persons: JM Financial Institutional Securities has entered into an agreement with JM Financial Securities, Inc. ("JM Financial Securities"), a U.S. registered broker-dealer and member of the Financial Industry Regulatory Authority ("FINRA") in order to conduct certain business in the United States in reliance on the exemption from U.S. broker-dealer registration provided by Rule 15a-6, promulgated under the U.S. Securities Exchange Act of 1934 (the "Exchange Act"), as amended, and as interpreted by the staff of the U.S. Securities and Exchange Commission ("SEC") (together "Rule 15a-6").

This research report is distributed in the United States by JM Financial Securities in compliance with Rule 15a-6, and as a "third party research report" for purposes of FINRA Rule 2241. In compliance with Rule 15a-6(a)(3) this research report is distributed only to "major U.S. institutional investors" as defined in Rule 15a-6 and is not intended for use by any person or entity that is not a major U.S. institutional investor. If you have received a copy of this research report and are not a major U.S. institutional investor, you are instructed not to read, rely on, or reproduce the contents hereof, and to destroy this research or return it to JM Financial Institutional Securities or to JM Financial Securities.

This research report is a product of JM Financial Institutional Securities, which is the employer of the research analyst(s) solely responsible for its content. The research analyst(s) preparing this research report is/are resident outside the United States and are not associated persons or employees of any U.S. registered broker-dealer. Therefore, the analyst(s) are not subject to supervision by a U.S. broker-dealer, or otherwise required to satisfy the regulatory licensing requirements of FINRA and may not be subject to the Rule 2241 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

Any U.S. person who is recipient of this report that wishes further information regarding, or to effect any transaction in, any of the securities discussed in this report, must contact, and deal directly through a U.S. registered representative affiliated with a broker-dealer registered with the SEC and a member of FINRA. In the U.S., JM Financial Institutional Securities has an affiliate, JM Financial Securities, Inc. located at 1177 Avenue of the Americas, 5th Floor, Offices 5045 and 5046, New York, New York 10036. Telephone +1 (332) 900 4956 which is registered with the SEC and is a member of FINRA and SIPC.

Additional disclosure only for U.K. persons: Neither JM Financial Institutional Securities nor any of its affiliates is authorised in the United Kingdom (U.K.) by the Financial Conduct Authority. As a result, this report is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the matters to which this report relates may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This report is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons.

Additional disclosure only for Canadian persons: This report is not, and under no circumstances is to be construed as, an advertisement or a public offering of the securities described herein in Canada or any province or territory thereof. Under no circumstances is this report to be construed as an offer to sell securities or as a solicitation of an offer to buy securities in any jurisdiction of Canada. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the registration requirement in the relevant province or territory of Canada in which such offer or sale is made. This report is not, and under no circumstances is it to be construed as, a prospectus or an offering memorandum. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon these materials, the information contained herein or the merits of the securities described herein and any representation to the contrary is an offence. If you are located in Canada, this report has been made available to you based on your representation that you are an "accredited investor" as such term is defined in National Instrument 45-106 Prospectus Exemptions and a "permitted client" as such term is defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Under no circumstances is the information contained herein to be construed as investment advice in any province or territory of Canada nor should it be construed as being tailored to the needs of the recipient. Canadian recipients are advised that JM Financial Securities, Inc., JM Financial Institutional Securities Limited, their affiliates and authorized agents are not responsible for, nor do they accept, any liability whatsoever for any direct or consequential loss arising from any use of this research report or the information contained herein.

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

Member of BSE Ltd. and National Stock Exchange of India Ltd.

SEBI Registration Nos.: Stock Broker - INZ000163434, Research Analyst - INH000000610

Registered Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India.

Board: +91 22 6630 3030 | Fax: +91 22 6630 3488 | Email: jmfinancial.research@jmfl.com | www.jmfl.com

Compliance Officer: Ms. Ashley Johnson | Tel: +91 22 6224 1862 | Email: ashley.johnson@jmfl.com

Grievance Officer: Ms. Ashley Johnson | Tel: +91 22 6224 1862 | Email: instcompliance@jmfl.com