


Poised for Gradual Recovery led by Volume Growth; Maintain HOLD
Est. Vs. Actual for Q1FY26: Revenue – **INLINE** ; EBITDA – **INLINE** ; PAT – **MISS**
Changes in Estimates post Q1FY26
FY26E/FY27E: Revenue: 1%/1%; EBITDA: 2%/3%; PAT: 2%/3%

Recommendation Rationale

- **Demand recovery gaining traction:** HUL reported 4% sales growth in the quarter, entirely volume-led (4%), with pricing support in Personal Care. Early signs of demand recovery, particularly in core categories, were met with stepped-up investments to accelerate portfolio transformation. Backed by favourable macro trends and disciplined execution of its ASPIRE strategy, HUL delivered broad-based, competitive growth across segments.
- **Margins Outlook:** EBITDA margin contracted 117 bps YoY to 22.3%, impacted by a 226bps decline in gross margins. However, management remains confident of sequential improvement, supported by a favourable price–cost equation, better product mix, and ongoing net productivity initiatives. Margin guidance remains at 22–23%, with continued focus on volume-led growth and premiumisation. Additionally, to encourage consumer up trading, HUL has introduced pricing interventions by narrowing the gap between sachets and larger packs.
- **Growth Outlook improves:** Management remains optimistic about near-to-mid-term demand recovery, driven by improving urban sentiment amid easing inflation, policy support, and gradual rural revival supported by a favourable monsoon in FY26. HUL expects H1FY26 to outperform H2FY25, aided by stable commodity prices and low single-digit price growth, reinforcing confidence in a sustained recovery trajectory.
- **Change in Leadership:** HUL has announced a key leadership change with the cessation of Mr. Rohit Jawa as MD & CEO, effective close of business on July 31, 2025. Priya Nair, currently President – Beauty & Wellbeing at Unilever, will take over as MD & CEO from August 1, 2025. With her strong global credentials and deep understanding of the beauty and personal care space, Nair is well-positioned to lead HUL's next phase of growth and strategic transformation.

Sector Outlook: Cautiously Positive

Company Outlook & Guidance: While management expects overall FMCG demand to remain stable and recent trends indicate initial signs of recovery in consumer sentiment, we maintain a cautious stance and prefer to await more sustained and meaningful signs of a broad-based revival.

Current Valuation: 52xMar'27 EPS (Earlier Valuation: 50xMar'27 EPS).

Current TP: Rs 2,690/share (Earlier TP: Rs 2,515/share).

Recommendation: With a 7% upside from the CMP, we maintain our **HOLD** rating on the stock.

Financial Performance: Hindustan Unilever Ltd. (HUL) reported a 4% volume growth in Q1FY26. Its revenue grew by only ~4% YoY to Rs 15,747 Cr, led by broad-based growth across categories. The company's gross margins declined by 226 bps YoY to 48.6%, primarily due to rising commodity costs, particularly in palm oil. EBITDA decreased by 1.3% YoY to Rs 3,558 Cr, with margins contracting by 117 bps YoY to 22.3%, partly offset by the reduction in ad spends (decline by 5.4% YoY). Reported PAT was up 8% YoY to Rs 2,732 Cr while Adj PAT before exceptional items stood at Rs 2,490 Cr, down by 3% YoY.

Key Financials (Standalone)

(Rs Cr)	Q1FY26	QoQ (%)	YoY (%)	Axis Est.	Variance (%)
Net Sales	15,747	5.0	3.8	15,777	(0.2)
EBITDA	3,558	2.7	(1.3)	3,553	0.1
EBITDA Margin (%)	22.3	-45 bps	-117 bps	22.3	6 bps
Net Profit	2,490	(0.3)	(3.2)	2,533	(1.7)
EPS (Rs)	11	(0.3)	(3.2)	11	(1.7)

Source: Company, Axis Research

(CMP as of 31st July, 2025)

CMP (Rs)	2,521
Upside /Downside (%)	7%
High/Low (Rs)	3034/2136
Market cap (Cr)	5,92,531
Avg. daily vol. (6m) Shrs'000.	1923
No. of shares (Cr)	234

Shareholding (%)

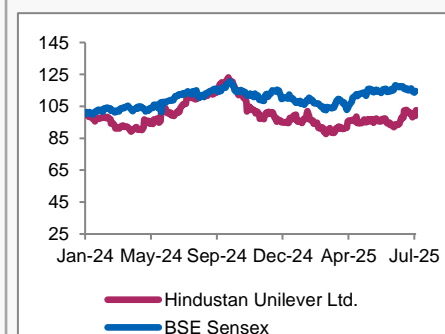
	Dec-24	Mar-25	Jun-25
Promoter	61.9	61.9	61.9
FIIs	11.4	10.6	10.2
MFs/UTI	6.1	6.4	6.6
Banks/FIs	0.0	0.1	0.1
Others	20.6	21.0	21.3

Financial & Valuations

Y/E Mar (Rs Cr)	FY25	FY26E	FY27E
Net Sales	60,680	65,000	69,963
EBITDA	14,289	15,491	16,927
Net Profit	10,644	11,078	12,119
EPS, Rs	45.3	47.1	51.6
PER, x	55.0	50.7	46.4
EV/EBITDA, x	38.6	35.5	32.3
ROE (%)	20.8	22.2	23.7

Change in Estimates (%)

Y/E Mar	FY26E	FY27E
Sales	1%	1%
EBITDA	2%	3%
PAT	2%	3%

Relative Performance


Source: Ace Equity, Axis Securities

Preeyam Tolia

Research Analyst
email: preeyam.tolia@axissecurities.in

Suhanee Shome

Research Associate
email: suhanee.shome@axissecurities.in

Outlook

We expect near-term challenges are likely to improve with the improving macroeconomic conditions for the consumption space. These include – 1) The cyclical drag from urban slowdown, high CPI inflation and high RM prices will start to normalise, 2) Rural demand momentum picks up pace, aided by a good monsoon season expected in FY26, 3) Government tax incentives stimulate consumption and 4) Lower crude oil prices will give respite on raw material side. Also, HUL's long-term growth prospects remain strong as management continues to focus on (1) Promoting a diversified portfolio and spreading the price-value matrix to drive premiumisation; (2) Continued focus on efficiency improvement – nanofactories, automation, and scaling Shikar to drive overall cost saving initiatives; and (3) Market development initiatives to gain market share across the portfolio. **While management anticipates a gradual recovery in the coming quarters, supported by favourable macroeconomic indicators, we remain cautious and prefer to adopt a wait-and-watch approach and therefore maintain our HOLD rating on the stock.**

Valuation & Recommendation

We expect HUL's Sales/EBITDA/PAT to grow at a 6%/6%/6 % CAGR over FY24-27E. We maintain our recommendation stance to HOLD with a revised TP of Rs 2,690/share, with an upside of 7% from the CMP.

Segmental Performance

- **Home Care:** The Home Care segment posted 4% Underlying Sales Growth, underpinned by high-single digit volume growth. Pricing remained negative due to continued pass-through of lower commodity costs and efforts to maintain a competitive price-value proposition. Fabric Wash saw mid-single digit volume growth, led by Surf Excel, while Household Care recorded double-digit volume growth, driven by strong performance in the dishwasher category. The liquids portfolio sustained its double-digit growth trajectory. On the innovation front, the company launched Surf Excel Matic Express, tailored for short wash cycles, and relaunched Vim Pro Clean Liquids with RhamnoTech technology to enhance kitchen hygiene and deliver superior cleaning performance.
- **Beauty & Wellbeing-** The Beauty & Wellbeing segment delivered 7% USG, led by mid-single digit growth in Hair Care and steady performance in Skin Care and Colour Cosmetics. OZiva stood out with 3x YoY growth, while the combined OZiva-Minimalist portfolio now forms a Rs1,000 crore digital-first business—part of a Rs3,000 crore portfolio growing over 25%. Minimalist reported strong double-digit growth in its first integrated quarter. Continued innovation, digital engagement, and sharp brand execution remain key growth drivers, with offline expansion for OZiva planned in phases. Four synergy areas—R&D, supply chain, international expansion, and offline scale-up—are being actively pursued.
- **Personal Care** –The Personal Care segment delivered a 6% growth during the quarter, supported by price hikes in response to commodity cost inflation. Skin Cleansing grew in mid-single digits, led by strong double-digit growth in premium soap bars. Lifebuoy has seen a sequential improvement in performance, underpinned by the momentum of its recent relaunch effort. Bodywash sustained its double-digit growth momentum, reflecting continued traction in the premium hygiene category. Oral Care posted mid-single digit growth, driven by Closeup. The quarter also saw product refreshes across key brands — Liril was relaunched with upgraded packaging and formula, Dove introduced its Serum Bar enriched with Nutrient Serum, and Closeup was rolled out with an enhanced formulation and modernised packaging.
- **Foods** - The Foods & Refreshment segment reported 5% Underlying Sales Growth, driven by mid-single digit volume growth. Beverages delivered double-digit growth, with Tea registering high-single digit growth on the back of pricing based on replacement cost and volume gains, while Coffee sustained its strong double-digit momentum, led by pricing. Packaged Foods grew in mid-single digits, supported by robust performance in the Future Core and Market Makers portfolio. Ice Cream posted high-single digit volume-led growth, although overall momentum was impacted by the early onset of monsoons. Lifestyle Nutrition maintained category leadership and showed sequential improvement. Key launches during the quarter included Red Label Instant Spiced Tea Mix and Boost Protein, a targeted offering in the adult health drink segment

Other Concall Highlights

- **Update on De-merger of Ice Cream Business:** HUL has received stock exchange clearance for the proposed demerger of its Ice Cream business. Shareholder approval will be sought on 12th August 2025, with voting commencing from 7th August. The mirror demerger will grant one share of Quality Walls India Ltd. for every HUL share held. The move is expected to unlock value and offer shareholders direct participation in the Ice Cream business. Further, the de-merger process is on track and is expected to be completed by Q4FY26.
- **Minimalist:** HUL has completed the acquisition of a 90.5% stake in Minimalist for Rs 2,706 crore. Integration efforts are progressing across four synergy areas—R&D, supply chain, offline expansion, and global scaling. The brand continues to deliver strong double-digit growth, reinforcing its potential within HUL's premium beauty portfolio.

Key Risks to Our Estimates and TP

- Prolonged recovery in urban market, rural, raw material inflation, and an increase in competitive intensity

Change in Estimates

	Old Est.		Revised Est.		% Revision	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Revenue	64,375	68,959	65,000	69,963	1	1
EBITDA	15,133	16,449	15,491	16,927	2	3
PAT	10,872	11,821	11,078	12,119	2	3
EPS	46.3	50.3	47.1	51.6	2	3

Source: Company, Axis Securities

Results Review

(Rs Cr)	Q1FY25	Q4FY25	Axis Sec Est	Q1FY26	YoY growth %	QoQ growth %	Axis Sec Var (%)
Volume growth (% YoY)	4.0	2.0	3.0	4.0			
Net Sales	15,166	15,000	15,777	15,747	3.8	5.0	(0.2)
Gross Profits	7,718	7,466	7,957	7,658	(0.8)	2.6	(3.8)
Gross Margin (%)	50.9	49.8	50.4	48.6	-226 bps	-114 bps	-180 bps
Staff costs	602	789	650	657	9.1	(16.7)	1.1
Ad spends	1,644	1,454	1,726	1,556	(5.4)	7.0	(9.9)
Other operating expenses	2,039	1,971	2,202	2,071	1.6	5.1	(6.0)
EBITDA	3,606	3,466	3,553	3,558	(1.3)	2.7	0.1
EBITDA Margin (%)	23.5	22.8	22.3	22.3	-117 bps	-45 bps	6 bps
Depreciation	298	313	315	324	8.7	3.5	3.0
EBIT	3,308	3,153	3,238	3,234	(2.2)	2.6	(0.1)
Other Income	257	299	260	247	(3.9)	(17.4)	(4.8)
Interest Expenses	85	75	75	110	29.4	46.7	45.9
PBT	3,432	3,354	3,423	3,244	(5.5)	(3.3)	(5.2)
Tax rate (%)	26.0	25.7	26.0	15.8	-1027 bps	-989 bps	-1022 bps
PAT	2,572	2,497	2,533	2,490	(3.2)	(0.3)	(1.7)
EPS (Rs.)	10.9	10.6	10.8	10.6	(3.2)	(0.3)	(1.7)

Source: Company, Axis Securities

Financials (Standalone)

Profit & Loss

(Rs Cr)

Y/E Mar, Rs Cr	FY24	FY25	FY26E	FY27E
Net sales	59,579	60,680	65,000	69,963
Growth, %	2.5	1.8	7.1	7.6
Other operating income	890	789	828	870
Total income	60,469	61,469	65,829	70,833
Raw material expenses	(29,327)	(30,176)	(32,288)	(34,387)
Employee expenses	(2,782)	(2,840)	(2,977)	(3,185)
Other Operating expenses	(14,170)	(14,164)	(15,073)	(16,334)
EBITDA (Core)	14,190	14,289	15,491	16,927
Growth, %	4.1	0.7	8.4	9.3
Margin, %	23.8	23.5	23.8	24.2
Depreciation	(1,097)	(1,224)	(1,342)	(1,447)
EBIT	13,093	13,065	14,149	15,480
Growth, %	4	(0)	8	9
Margin, %	22	22	22	22
Interest paid	(302)	(364)	(317)	(333)
Other Income	973	1,177	1,051	1,135
Non-recurring Items	(89)	422	-	-
Pre-tax profit	13,675	14,300	14,883	16,282
Tax provided	(3,561)	(3,656)	(3,805)	(4,163)
Profit after tax	10,114	10,644	11,078	12,119
Growth, %	1.8	0.2	8.4	9.4
Net Profit (adjusted)	10,114	10,644	11,078	12,119
Unadj. shares (Cr)	235	235	235	235
Wtdavg shares (Cr)	235	235	235	235

Source: Company, Axis Securities

Balance Sheet

(Rs Cr)

As of 31st Mar, Rs Cr	FY24	FY25	FY26E	FY27E
Cash & bank	7,216	7,293	8,830	10,885
Marketable securities at cost	4,510	3,614	3,614	3,614
Debtors	2,690	3,450	3,696	3,978
Inventory	3,812	4,161	4,274	4,600
Other current assets	2,031	2,336	2,336	2,336
Total current assets	20,259	20,854	22,750	25,414
Investments	2	2	2	2
Gross fixed assets	57,248	58,624	59,724	60,824
Less: Depreciation	(4,869)	(5,717)	(7,059)	(8,506)
Add: Capital WIP	915	956	956	956
Net fixed assets	53,294	53,863	53,621	53,274
Non-current assets	1,422	1,464	1,464	1,464
Total assets	77,076	78,313	79,967	82,283
Current liabilities	12,063	13,405	14,235	15,189
Provisions	1,551	1,509	1,616	1,740
Total current liabilities	13,614	14,914	15,852	16,929
Non-current liabilities	12,489	14,246	14,246	14,246
Total liabilities	26,103	29,160	30,098	31,175
Paid-up capital	235	235	235	235
Reserves & surplus	50,738	48,918	49,634	50,874
Shareholders' equity	50,973	49,153	49,869	51,109
Total equity & liabilities	77,076	78,313	79,967	82,283

Source: Company, Axis Securities

Cash Flow

(Rs Cr)

Y/E Mar, Rs Cr	FY24	FY25	FY26E	FY27E
Pre-tax profit	13,675	14,300	14,883	16,282
Depreciation	1,097	1,224	1,342	1,447
Chg in working capital	4,481	(441)	579	468
Total tax paid	(3,432)	(1,640)	(3,805)	(4,163)
Other operating activities	-	-	-	-
Cash flow from operating activities	15,821	13,443	12,998	14,035
Capital expenditure	(1,966)	(1,793)	(1,100)	(1,100)
Chg in marketable securities	(1,699)	896	-	-
Other investing activities	0	-	-	-
Cash flow from investing activities	(3,665)	(902)	(1,100)	(1,100)
Free cash flow	12,156	12,541	11,898	12,935
Equity raised/(repaid)	9	6	-	-
Dividend (incl. tax)	(9,868)	(9,868)	(10,361)	(10,879)
Other financing activities	-	-	-	-
Cash flow from financing activities	(9,859)	(9,862)	(10,361)	(10,879)
Net change in cash	2,297	2,679	1,537	2,055
Opening cash balance	4,422	7,216	7,293	8,830
Closing cash balance	7,216	7,293	8,830	10,885

Source: Company, Axis Securities

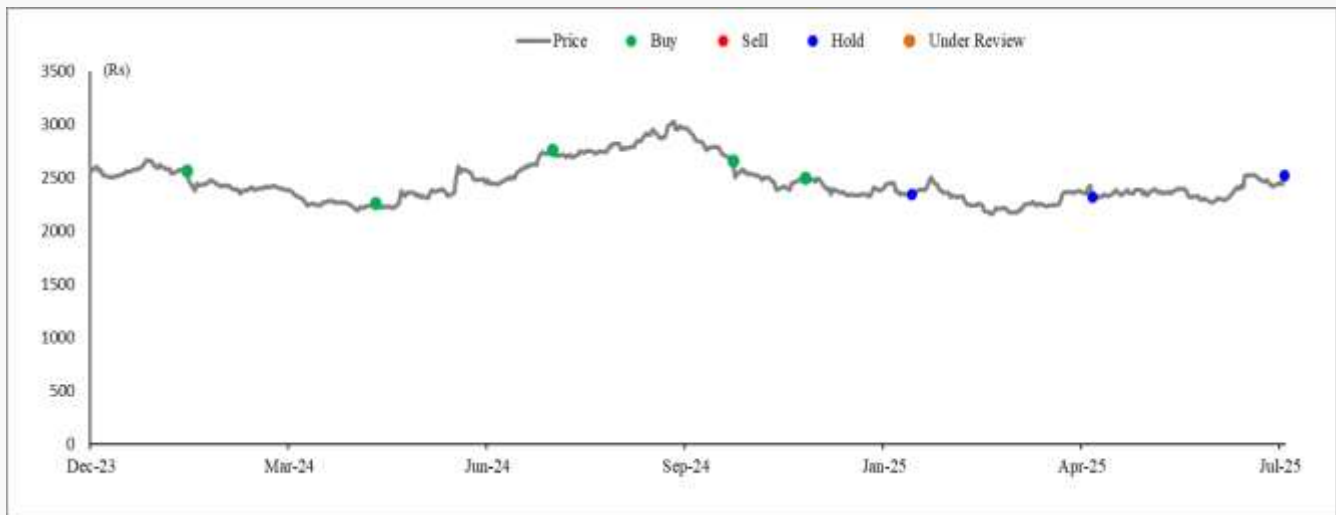
Ratio Analysis

(%)

Y/E Mar, Rs Cr	FY24	FY25	FY26E	FY27E
Per Share data				
EPS (INR)	43.0	45.3	47.1	51.6
Growth, %	1.8	0.2	8.4	9.4
Book NAV/share (INR)	216.9	209.2	212.2	217.5
FDEPS (INR)	43.4	43.5	47.1	51.6
CEPS (INR)	48.5	46.9	52.8	57.7
CFPS (INR)	63.8	52.4	50.8	54.9
DPS (INR)	42.0	42.0	44.1	46.3
Return ratios				
Return on assets (%)	14.0	14.2	14.4	15.3
Return on equity (%)	20.0	20.8	22.2	23.7
Return on capital employed (%)	16.6	16.9	17.4	18.7
Turnover ratios				
Asset turnover (x)	1.3	1.3	1.4	1.6
Sales/Total assets (x)	0.8	0.8	0.8	0.9
Sales/Net FA (x)	1.1	1.1	1.2	1.3
Working capital/Sales (x)	(0.1)	(0.1)	(0.1)	(0.1)
Receivable days	16.5	20.8	20.8	20.8
Inventory days	23.4	25.0	24.0	24.0
Payable days	80.0	85.1	85.4	85.9
Working capital days	(21.6)	(20.8)	(22.1)	(22.3)
Liquidity ratios				
Current ratio (x)	1.7	1.6	1.6	1.7
Quick ratio (x)	1.4	1.2	1.3	1.4
Interest cover (x)	43.4	35.9	44.6	46.5
Valuation				
PER (x)	55.1	55.0	50.7	46.4
PEG (x) - y-o-y growth	30.8	295.2	6.1	4.9
Price/Book (x)	11.0	11.4	11.3	11.0
EV/Net sales (x)	9.2	9.1	8.5	7.8
EV/EBITDA (x)	38.8	38.6	35.5	32.3
EV/EBIT (x)	42.0	42.2	38.8	35.4

Source: Company, Axis Securities

Hindustan Unilever Price Chart and Recommendation History



Date	Reco	TP	Research
20-Jan-24	BUY	2,850	Result Update
25-Apr-24	BUY	2,500	Result Update
24-Jul-24	BUY	3,030	Result Update
24-Oct-24	BUY	2,920	Result Update
02-Dec-24	BUY	2,920	Company Update
23-Jan-25	HOLD	2,520	Result Update
25-Apr-25	HOLD	2,515	Result Update
01-Aug-25	HOLD	2,690	Result Update

Source: Axis Securities Research

Axis Securities Limited is a subsidiary company of Axis Bank Ltd. Axis Bank Ltd. is a listed public company and one of India's largest private sector banks and has its various subsidiaries engaged in businesses of Asset management, NBFC, Merchant Banking, Trusteeship, Venture Capital, Stock Broking, the details in respect of which are available on www.axisbank.com.

Axis Securities Limited, is registered as a

- Stock Broker, Depository Participant, Portfolio Manager, Investment Adviser and Research Analyst with Securities and Exchange Board of India
- Corporate Agent with Insurance Regulatory and Development Authority of India
- Point of Presence with Pension Fund Regulatory and Development Authority
- Distributor for Mutual Funds with AMFI

Registration Details:

SEBI Single Reg. No.- NSE, BSE, MSEI, MCX & NCDEX – INZ000161633 | SEBI Depository Participant Reg. No. IN-DP-403-2019 | Portfolio Manager Reg. No.- INP000000654 | Investment Advisor Reg No. INA000000615 | SEBI-Research Analyst Reg. No. INH000000297 | IRDA Corporate Agent (Composite) Reg. No. CA0073 | PFRDA – POP Reg. No. POP387122023 | Mutual Fund Distributor ARN- 64610.

Compliance Officer Details: Name – Mr. Rajiv Kejriwal, Tel No. – 022-68555574, Email id – compliance.officer@axisdirect.in;

Registered Office Address – Axis Securities Limited, Unit No.002, Building- A, Agastya Corporate Park, Piramal Realty, Kamani Junction, Kurla (W), Mumbai – 400070.

Administrative office address: Axis Securities Limited, Aurum Q Parc, Q2 Building, Unit No. 1001, 10th Floor, Level – 6, Plot No. 4/1 TTC, Thane – Belapur Road, Ghansoli, Navi Mumbai, Pin Code – 400710.

In case of any grievances please call us at 022-40508080 or write to us helpdesk@axisdirect.in.

We hereby declare that our activities were neither suspended nor we have defaulted with any stock exchange authority with whom we are registered in last five years. However, SEBI, Exchanges, Clearing Corporations and Depositories etc. have conducted the routine inspection and based on their observations have issued advise/warning/show cause notices/deficiency letters/ or levied penalty or imposed charges for certain deviations observed in inspections or in normal course of business, as a Stock Broker / Depository Participant/Portfolio Manager. We have not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has our certificate of registration been cancelled by SEBI at any point of time.

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

By referring to any particular sector, Axis Securities does not provide any promise or assurance of favourable view for a particular industry or sector or business group in any manner.

Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk-free return to the investors. Our research should not be considered as an advertisement or advice, professional or otherwise. This research report and its respective content by Axis Securities made available on this page or otherwise do not constitute an offer to sell or purchase or subscribe for any securities or solicitation of any investments or investment services for the residents of Canada and / or USA or any jurisdiction where such an offer or solicitation would be illegal.

Subject company(ies) may have been client during twelve months preceding the date of distribution of the research report. Derivatives are a sophisticated investment device. The investor is requested to take into consideration all the risk factors before actually trading in derivative contracts.

Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. Information, opinions and estimates contained in this report reflect a judgment of its original date of publication by ASL and are subject to change without notice. The price, value of and income from any of the securities or financial instruments mentioned in this report can fall as well as rise. The value of securities and financial instruments is subject to exchange rate fluctuation that may have a positive or adverse effect on the price or income of such securities or financial instruments.

The information and opinions in this report have been prepared by Axis Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of Axis Securities. The report must not be used as a singular basis of any investment decision. The views herein are of a general nature and do not consider the risk appetite, investment objective or the particular circumstances of an individual investor. The investor is requested to take into consideration all the risk factors including their financial condition, suitability to risk return profile and the like and take professional advice before investing.

While we would endeavour to update the information herein on a reasonable basis, Axis Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent Axis Securities 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 Axis Securities policies, in circumstances where Axis Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained in good faith from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. Axis Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. Axis Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. 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. Axis Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months. Axis Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction. Axis Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months. Axis Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. Axis Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither Axis Securities nor Research Analysts and / or their relatives have any material conflict of interest at the time of publication of this report. Please note that Axis Securities has a proprietary trading desk. This desk maintains an arm's length distance with the Research team and all its activities are segregated from Research activities. The proprietary desk operates independently, potentially leading to investment decisions that may deviate from research views.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

Research Analyst may have served as an officer, director or employee of subject company(ies). Axis Securities or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report. Since associates of Axis Securities and Axis Securities as an entity are engaged in various financial service businesses, they might have financial interests or actual/beneficial ownership of one percent or more or other material conflict of interest in various companies including the subject company/companies mentioned in this report. Axis Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report. Certain transactions -including those involving futures, options and other derivatives as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. Reports based on technical analysis centres on studying charts of a stock's price movement and trading volume, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals.

We and our affiliates/associates, officers, directors, and employees, Research Analyst(including relatives) worldwide may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company (ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company/company (ies) discussed herein or act as advisor or lender / borrower to such company (ies) or have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of Research Report or at the time of public appearance. Axis Securities may have proprietary long/short position in the above mentioned scrip(s) and therefore may be considered as interested. This should not be construed as invitation or solicitation to do business with Axis Securities. Axis Securities is also a Portfolio Manager. Portfolio Management Team (PMS) takes its investment decisions independent of the PCG research and accordingly PMS may have positions contrary to the PCG research recommendation.

RATING SCALE: Definitions of ratings

Ratings	Expected absolute returns over 12 – 18 months
BUY	More than 10%
HOLD	Between 10% and -10%
SELL	Less than -10%
NOT RATED	We have forward looking estimates for the stock, but we refrain from assigning valuation and recommendation.
UNDER REVIEW	We will revisit our recommendation, valuation and estimates on the stock following recent events
NO STANCE	We do not have any forward-looking estimates, valuation or recommendation for the stock

Note: Returns stated in the rating scale are our internal benchmark.