

# HUL

## Performance Highlights

### Quarterly results (standalone)

(₹ cr)	2QFY2013	2QFY2012	% yoy	Angel Est.	% Diff
Revenue	6,155	5,522	11.5	6,155	0.0
EBITDA	821	738	11	819	0
OPM (%)	13.3	13.4	(3)bp	13.3	4bp
Recurring PAT	805	645	25.0	718	12.3

Source: Company, Angel Research

Hindustan Unilever (HUL)'s top-line for 2QFY2013 grew by 11.5% yoy to ₹6,155cr, in-line with our estimates. The recurring net profit for the quarter grew by 25.0% yoy to ₹805cr, aided by an 83.2% yoy growth in other income to ₹304cr. However, the underlying volume growth of 7% in the domestic FMCG business is a disappointment. **We remain Neutral on the stock.**

**Key highlights during the quarter:** The domestic consumer business grew by 16%, with the underlying volume growth coming in at a modest 7%. While the soaps and detergents segment grew by 22% yoy, the personal products segment was up by 12% yoy. The foods division rose by 10% yoy. The management indicated that the overall growth in the quarter was impacted by budget rationalization in the canteen stores department (CSD). The OPM stood at 13.3%, which again was in-line with estimates. The gross margins rose by 123bp yoy aided largely by price hikes. HUL increased its advertising and promotion expenses during the quarter, which went up by ₹118cr on a yoy basis to ₹769cr. The bottom-line rose by 25% yoy to ₹805cr aided by an 83.2% yoy growth in other income to ₹304cr (vs ₹166cr in 2QFY2012).

**Outlook and valuation:** We expect HUL to post a ~15.5% CAGR in its top-line over FY2012-14E, largely aided by steady performance of all its major divisions. In terms of earnings, we expect HUL to post a 19.7% CAGR. **At the current market price, the stock is trading at 32.0x FY2014E earnings. We maintain our Neutral view on the stock.**

### Key financials (Standalone)

Y/E March (₹ cr)	FY2011	FY2012	FY2013E	FY2014E
Net sales	19,401	21,736	25,350	28,974
% chg	10.7	12.0	16.6	14.3
Net profit (Adj.)	2,099	2,573	3,185	3,685
% chg	(0.2)	22.6	23.8	15.7
OPM (%)	12.2	13.4	13.3	13.5
EPS (₹)	9.7	11.9	14.7	17.0
P/E (x)	51.1	43.9	37.1	32.0
P/BV (x)	44.4	33.6	29.3	20.7
RoE (%)	80.1	83.4	84.5	75.8
RoCE (%)	80.3	74.2	76.1	63.5
EV/Sales (x)	6.0	5.3	4.5	3.9
EV/EBITDA (x)	49.0	39.3	33.7	28.8

Source: Company, Angel Research

# NEUTRAL

CMP	₹546
Target Price	-

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

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

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

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

Y/E March (₹ cr)	2QFY2013	2QFY2012	% chg	1QFY2013	% chg	1HFY2013	1HFY2012	% chg
<b>Net Sales</b>	<b>6,155</b>	<b>5,522</b>	<b>11.5</b>	<b>6,250</b>	<b>(1.5)</b>	<b>12,406</b>	<b>11,012</b>	<b>12.7</b>
Consumption of RM	3,269	3,001	8.9	3,368	(2.9)	6,637	6,089	9.0
(% of Sales)	53.1	54.4		53.9		53.5	55.3	
Staff Costs	330	287	15.0	333	(0.7)	663	574	15.7
(% of Sales)	5.4	5.2		5.3		5.3	5.2	
Advertising Expenses	769	651	18.1	820	(6.2)	1,589	1,284	23.7
(% of Sales)	12.5	11.8		13.1		12.8	11.7	
Other Expenses	965	844	14.3	892	8.2	1,857	1,672	11.1
(% of Sales)	15.7	15.3		14.3		15.0	15.2	
<b>Total Expenditure</b>	<b>5,334</b>	<b>4,784</b>	<b>11.5</b>	<b>5,412</b>	<b>(1.4)</b>	<b>10,746</b>	<b>9,618</b>	<b>11.7</b>
<b>Operating Profit</b>	<b>821</b>	<b>738</b>	<b>11.2</b>	<b>838</b>	<b>(2.0)</b>	<b>1,659</b>	<b>1,394</b>	<b>19.0</b>
OPM	13.3	13.4	(3)	13.4	(6)	13.4	12.7	72
Interest	6.3	0.5	1,072.2	5.3	19.9	12	1	1,973.2
Depreciation	58	57	1.0	58	0.2	115	113	1.8
Other Income	304	166	83.2	347	(12.4)	651	319	104.3
<b>PBT (excl. Extr Items)</b>	<b>1,061</b>	<b>847</b>	<b>25.4</b>	<b>1,122</b>	<b>(5.4)</b>	<b>2,184</b>	<b>1,599</b>	<b>36.6</b>
Extr Income/(Expense)	2	44		605		606	103	
<b>PBT (incl. Extr Items)</b>	<b>1,063</b>	<b>891</b>	<b>19.3</b>	<b>1,727</b>	<b>(38.4)</b>	<b>2,790</b>	<b>1,702</b>	<b>63.9</b>
(% of Sales)	17.3	16.1		27.6		22.5	15.5	
Provision for Taxation	256	202	26.7	396	(35.3)	652	386	68.9
(% of PBT)	24.1	23.9		35.3		29.8	24.1	
<b>Recurring PAT</b>	<b>805</b>	<b>645</b>	<b>25.0</b>	<b>727</b>	<b>10.8</b>	<b>1,532</b>	<b>1,213</b>	<b>26.3</b>

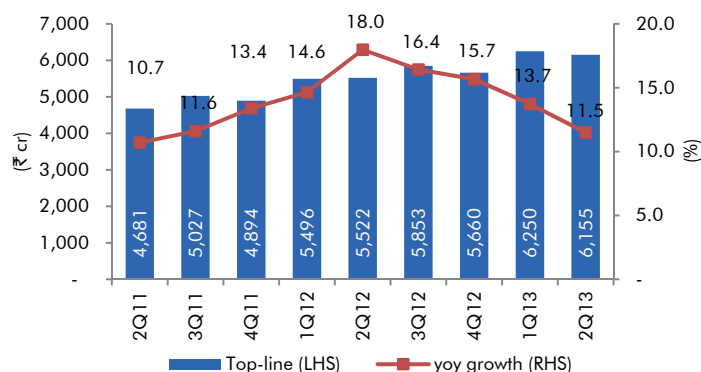
Source: Company, Angel Research

**Revenue growth at 11.5%, in line with estimates**

HUL posted an impressive top-line growth of 11.5% yoy, driven by a 16.0% growth in the domestic consumer business. Home and personal care (HPC) and foods businesses posted a growth of 18.5% and 10.0% respectively. On a like-for-like basis, the top-line rose by 17%, considering that 2QFY2012 results included sales of the export business, which has since been de-merged and transferred to a subsidiary.

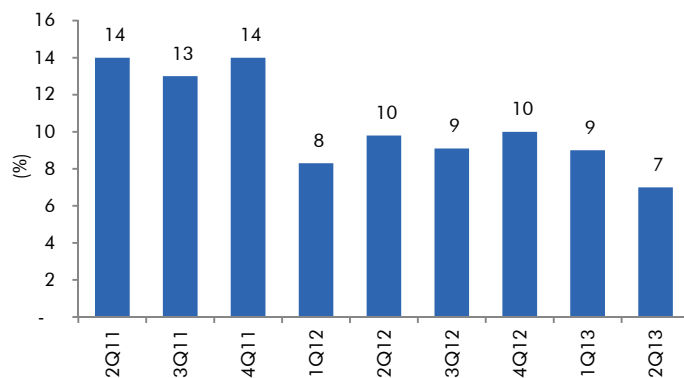
The soaps and detergents (S&D) segment continued to post strong results with revenue growth coming in at 21.0% yoy, with both laundry and skin cleansing segments reporting healthy growth rates. However, during the quarter, the growth of personal products moderated to 12% yoy impacted by the relaunch of *Fair And Lovely* sachets at a higher price of ₹8/pack vs the earlier ₹7/pack. During the quarter, HUL launched *TRESemme* in its hair color portfolio. Beverages grew by 10%, led by premium tea and coffee. The packaged foods segment grew by 16%, led by growth in key brands, with Knorr soups growing in double digits.

**Exhibit 2: Double-digit top-line growth continues**



Source: Company, Angel Research

**Exhibit 3: Volume growth moderates**



Source: Company, Angel Research

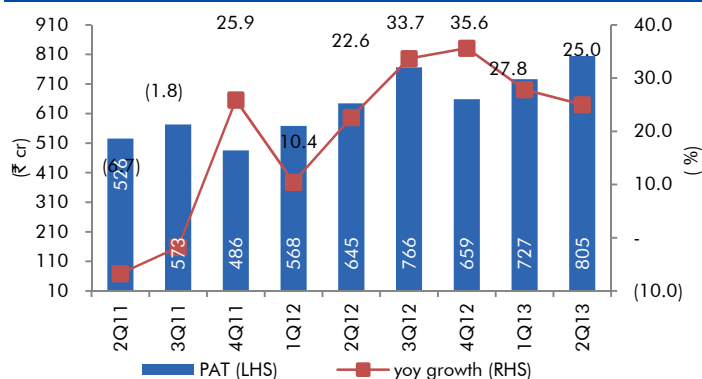
### Net profit up by 25.0% yoy

During the quarter, HUL posted a 25.0% yoy increase in its recurring net profit to ₹805cr (₹645cr). The bottom-line growth was led by an 83.2% yoy growth in other income to ₹304cr. The management also indicated that on a like for like (LFL) basis (considering the demerger of the FMCG business) the bottom-line rose by 38%.

### OPM flat at 13.3%

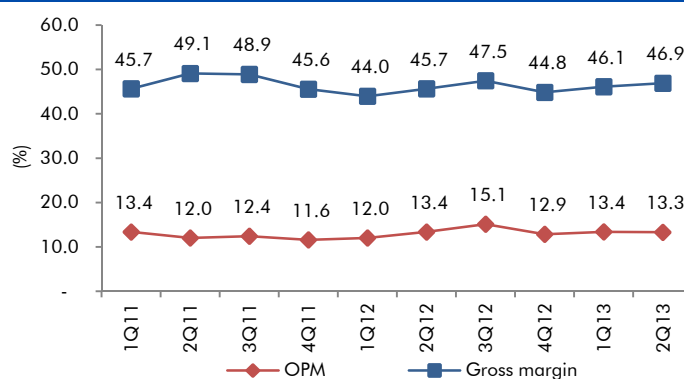
During the quarter, HUL reported a 123bp yoy improvement in gross margin, aided by price hikes. The company also increased its advertising and promotion (A&P) expenses during the quarter, which went by ₹118cr on a yoy basis to ₹769cr. A&P expenses as a proportion of sales stood at 12.5%, up 69bp on a yoy basis. Thus, the company's OPM remained flat on a yoy basis.

**Exhibit 4: PAT growth remains healthy**



Source: Company, Angel Research

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



Source: Company, Angel Research

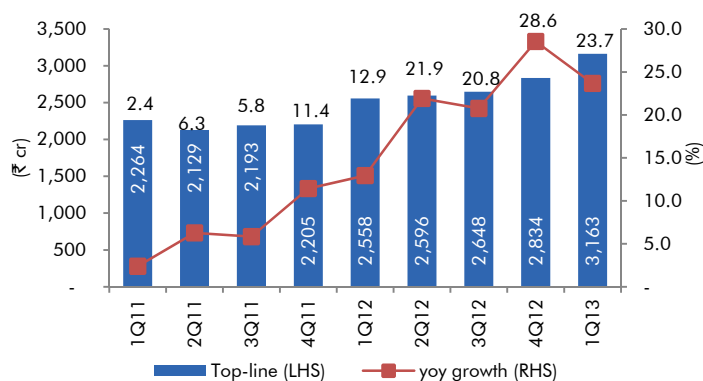
**Exhibit 6: Segmental Performance**

Y/E March (₹ cr)	2QFY2013	2QFY2012	% chg	1QFY2013	%chg	1HFY2013	1HFY2012	% chg
Soaps & Detergents	3,176	2,596	22.3	3,163	0.4	6,339	5,154	23.0
Personal Products	1,745	1,556	12.1	1,847	(5.6)	3,592	3,138	14.4
Beverages	720	654	10.0	654	10.0	1,374	1,263	8.7
Packaged Foods	366	332	10.2	437	(16.2)	803	705	14.0
Others	288	264	9.2	264	9.2	552	930	(40.6)
Less: Inter Segment Revenue	0	260		260		0	0	
<b>Total Gross Income</b>	<b>6,295</b>	<b>5,663</b>	<b>11.2</b>	<b>6,625</b>	<b>(5.0)</b>	<b>12,660</b>	<b>11,190</b>	<b>13.1</b>
Soaps & Detergents	454	321	41.2	385	17.7	839	557	50.5
Personal Products	423	394	7.3	476	(11.2)	898	807	11.3
Beverages	103	88	17.5	95	8.5	198	163	21.4
Packaged Foods	9	16	(45)	25	(64)	26	34	(24.1)
Others	21	16	26.4	(4)	(576.7)	(2)	37	
Total PBIT	1,009	836	21	976	3	1,958	1,599	22.5
Less: Interest Exp	0	(1)		(5)		(12)	(1)	
Less: Other Unallocable Exp	0	56		756		843	104	
<b>PBT</b>	<b>1,009</b>	<b>891</b>	<b>13.2</b>	<b>1,727</b>	<b>(41.6)</b>	<b>2,790</b>	<b>1,702</b>	<b>63.9</b>
PBIT Margin (%)								
Soaps & Detergents	14.3	12.4		12.2		13.2	10.8	
Personal Products	24.2	25.3		25.8		25.0	25.7	
Beverages	14.3	13.4		14.5		14.4	12.9	
Packaged Foods	2.5	5.0		5.7		3.2	4.8	
Others	7.1	6.1		(1.6)		(0.4)	4.0	

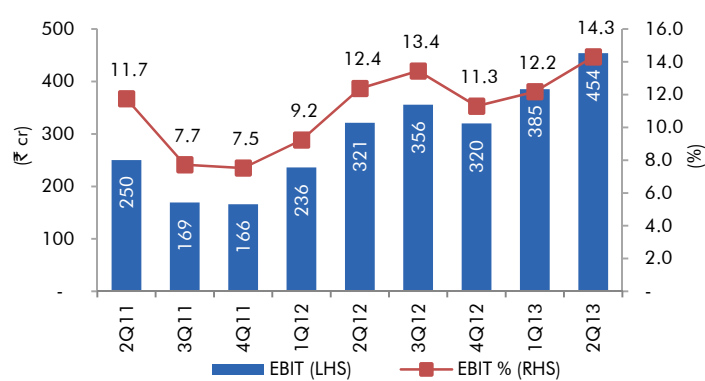
Source: Company, Angel Research

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

The S&D segment continued to post strong results with revenue growth coming in at 22.0% yoy. Laundry sustained its healthy growth trajectory with all brands growing in double digits. While Surf and Rin registered double digit volume growths, comfort fabric conditioners continued to lead market development. Skin cleansing sustained its broad based growth momentum with Dove and Pears driving category premiumisation.

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


Source: Company, Angel Research

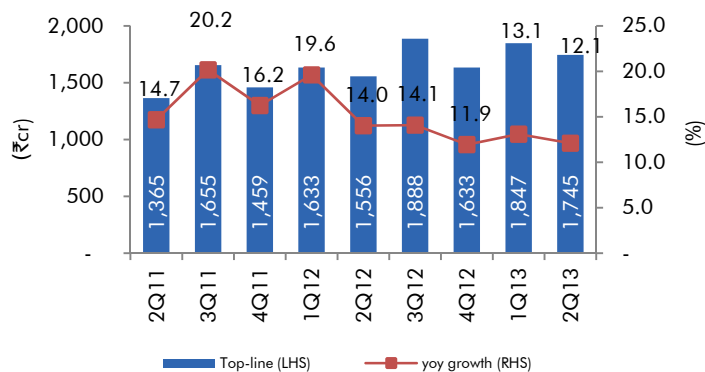
**Exhibit 8: EBIT margin up by 191bp yoy**


Source: Company, Angel Research

### Personal products continue to post double-digit volume growth

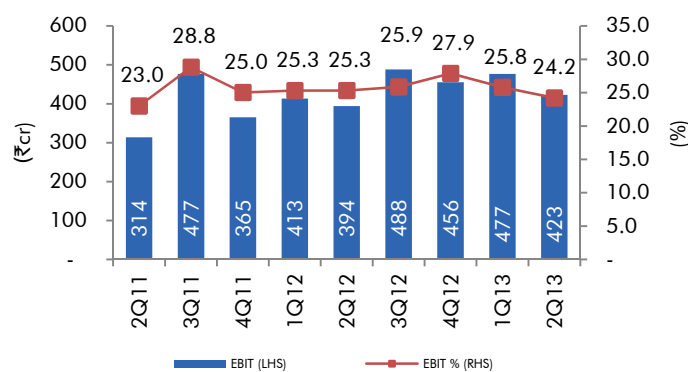
However, during the quarter, the growth of personal products moderated to 12% yoy impacted by the relaunch of *Fair And Lovely* sachets at higher price of ₹8/pack vs the earlier ₹7/pack. The hair care segment witnessed a broad-based double digit growth. This quarter also saw the relaunch of flagship brand *clinic plus* and also the innovation of hair fall rescue range in Dove. During the quarter, HUL launched *TRESemme* in its hair color portfolio. *TRESemme* is a brand which got added to Unilever's portfolio through the acquisition of Alberto-Culver. *TRESemme* offers the strong proposition of a salon experience at home. In oral care, both the company's brands *Close-up* and *Pepsodent* grew in double digits.

**Exhibit 9: Personal products growth moderates to 12%**



Source: Company, Angel Research

**Exhibit 10: EBIT margin contracts by 112bp yoy**



Source: Company, Angel Research

### Investment arguments

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

## Outlook and valuation

We expect HUL to post a ~15.5% CAGR in its top-line over FY2012-14E, largely aided by steady performance of all its major divisions. In terms of earnings, we expect HUL to post a ~19.7% CAGR. **At the current market price, the stock is trading at 32.0x FY2014E earnings. We maintain our Neutral view on the stock.**

### Exhibit 11: Peer valuation

Company	Reco	Mcap (₹ cr)	CMP (₹)	TP* (₹)	Upside (%)	P/E (x)		EV/Sales (x)		RoE (%)		CAGR #	
						FY13E	FY14E	FY13E	FY14E	FY13E	FY14E	Sales	PAT
Asian Paints	Neutral	37,724	3,933	-	-	32.5	27.2	3.2	2.7	37.4	35.3	17.0	18.5
Britannia	Buy	5,851	490	584	19	23.7	19.3	0.9	0.7	43.1	41.9	17.4	27.4
Colgate	Neutral	16,775	1,234	-	-	34.6	29.1	5.4	4.7	101.0	93.5	12.8	13.6
Dabur	Reduce	21,825	125	-	-	28.1	24.2	3.6	3.0	43.2	41.4	15.3	18.3
GCPL	Neutral	24,303	714	-	-	32.7	27.0	4.2	3.6	31.2	30.0	22.1	28.3
GSKCHL	Neutral	12,633	3,004	-	-	27.0	22.8	3.6	3.0	34.4	32.8	16.8	24.9
<b>HUL</b>	<b>Neutral</b>	<b>118,040</b>	<b>546</b>	-	-	<b>37.1</b>	<b>32.0</b>	<b>4.5</b>	<b>3.9</b>	<b>84.5</b>	<b>75.8</b>	<b>15.5</b>	<b>19.7</b>
ITC	Neutral	225,404	288	-	-	30.9	26.4	7.4	6.4	35.4	34.7	17.2	17.7
Marico	Neutral	12,707	207	-	-	30.5	24.5	2.6	2.2	31.4	29.7	18.6	27.6
Nestle	Neutral	45,045	4,672	-	-	40.7	33.4	5.1	4.3	71.2	60.3	16.5	15.0
TGBL	Neutral	9,186	149	-	-	23.7	19.9	1.2	1.1	8.6	9.5	9.7	16.6

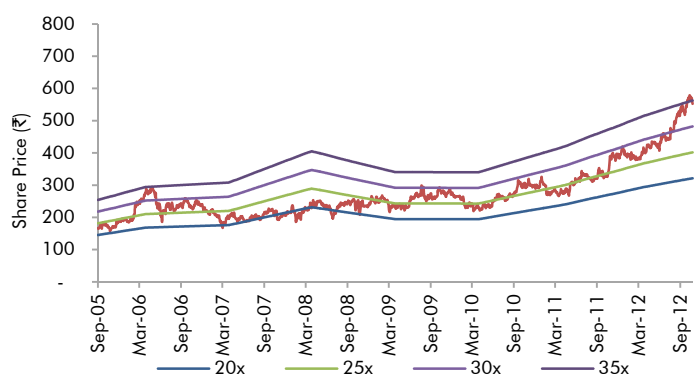
Source: Company, Angel Research, Note: #denotes CAGR for FY2012-14E

### Exhibit 12: Angel vs Consensus estimates

Top-line (₹ cr)	FY2013E	FY2014E	EPS (₹)	FY2013E	FY2014E
Angel estimates	25,350	28,974	Angel estimates	14.7	17.0
Consensus	25,494	29,176	Consensus	14.6	16.8
Diff (%)	(0.6)	(0.7)	Diff (%)	0.9	1.4

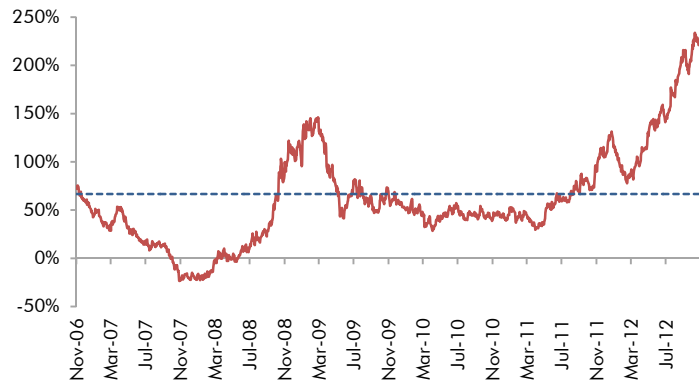
Source: Company, Angel Research

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



Source: Company, Angel Research

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



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

## Company Background

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

**Profit & Loss Statement (Standalone)**

Y/E March (₹ cr)	FY2009#	FY2010	FY2011	FY2012	FY2013E	FY2014E
Net Sales	20,239	17,524	19,401	21,736	25,350	28,974
<b>Total operating income</b>	<b>20,239</b>	<b>17,524</b>	<b>19,401</b>	<b>21,736</b>	<b>25,350</b>	<b>28,974</b>
% chg	48.0	(13.4)	10.7	12.0	16.6	14.3
Total Expenditure	17,583	14,975	17,036	18,825	21,972	25,054
Cost of Materials	10,810	8,878	10,057	11,738	13,586	15,499
Advertising Exp	2,131	2,391	2,764	2,635	3,219	3,651
Personnel	1,152	936	961	1,107	1,280	1,463
Others	3,490	2,770	3,254	3,345	3,886	4,442
<b>EBITDA</b>	<b>2,656</b>	<b>2,548</b>	<b>2,365</b>	<b>2,911</b>	<b>3,379</b>	<b>3,919</b>
% chg	41.4	(4.1)	(7.2)	23.1	16.1	16.0
(% of Net Sales)	13.1	14.5	12.2	13.4	13.3	13.5
Depreciation & Amortisation	195	184	221	218	224	226
<b>EBIT</b>	<b>2,461</b>	<b>2,364</b>	<b>2,144</b>	<b>2,692</b>	<b>3,155</b>	<b>3,693</b>
% chg	41.4	(3.9)	(9.3)	25.6	17.2	17.1
(% of Net Sales)	12.2	13.5	11.1	12.4	12.4	12.7
Interest & other Charges	25	7	0	1	23	23
Other Income	590	350	586	659	1,016	1,129
(% of PBT)	19.5	12.9	21.5	19.7	24.5	23.5
Share in profit of Associates	-	-	-	-	-	-
<b>Recurring PBT</b>	<b>3,025</b>	<b>2,707</b>	<b>2,730</b>	<b>3,350</b>	<b>4,148</b>	<b>4,799</b>
% chg	40.9	(10.5)	0.9	22.7	23.8	15.7
Prior Period & Extr. Exp./ (Inc.)	4	(99)	(207)	(119)	(466)	-
<b>PBT (reported)</b>	<b>3,021</b>	<b>2,806</b>	<b>2,937</b>	<b>3,469</b>	<b>4,614</b>	<b>4,799</b>
Tax	524	604	631	778	963	1,114
(% of PBT)	17.3	22.3	23.1	23.2	23.2	23.2
<b>PAT (Adjusted)</b>	<b>2,501</b>	<b>2,103</b>	<b>2,099</b>	<b>2,573</b>	<b>3,185</b>	<b>3,685</b>
Add: Share of earnings of asso.	-	-	-	-	-	-
<b>Recurring PAT</b>	<b>2,501</b>	<b>2,103</b>	<b>2,099</b>	<b>2,573</b>	<b>3,185</b>	<b>3,685</b>
<b>Reported PAT</b>	<b>2,496</b>	<b>2,202</b>	<b>2,306</b>	<b>2,691</b>	<b>3,651</b>	<b>3,685</b>
% chg	29.7	(11.8)	4.7	16.7	35.7	0.9
(% of Net Sales)	12.3	12.6	11.9	12.4	14.4	12.7
<b>Basic EPS (₹)</b>	<b>11.5</b>	<b>9.6</b>	<b>9.7</b>	<b>11.9</b>	<b>14.7</b>	<b>17.0</b>
<b>Fully Diluted EPS (₹)</b>	<b>11.5</b>	<b>9.6</b>	<b>9.7</b>	<b>11.9</b>	<b>14.7</b>	<b>17.0</b>
% chg	43.3	(16.0)	0.9	22.4	23.8	15.7

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



**Balance Sheet (Standalone)**

Y/E March (₹ cr)	FY2009*	FY2010	FY2011	FY2012E	FY2013E	FY2014E
<b>SOURCES OF FUNDS</b>						
Equity Share Capital	218	218	216	216	216	216
Preference Capital	-	-	-	-	-	-
Reserves & Surplus	1,844	2,365	2,444	3,297	3,809	5,484
<b>Shareholders Funds</b>	<b>2,062</b>	<b>2,584</b>	<b>2,660</b>	<b>3,513</b>	<b>4,025</b>	<b>5,701</b>
Total Loans	422	-	-	-	-	-
Deferred Tax Liability	(255)	(249)	(210)	(214)	(210)	(210)
Long term provisions			664	667	700	700
Other long term liabilities			219	330	330	330
<b>Total Liabilities</b>	<b>2,229</b>	<b>2,335</b>	<b>3,333</b>	<b>4,295</b>	<b>4,845</b>	<b>6,521</b>
<b>APPLICATION OF FUNDS</b>						
Gross Block	2,882	3,582	3,760	3,812	3,992	4,110
Less: Acc. Depreciation	1,275	1,420	1,591	1,664	1,888	2,114
<b>Net Block</b>	<b>1,607</b>	<b>2,162</b>	<b>2,169</b>	<b>2,147</b>	<b>2,104</b>	<b>1,996</b>
Capital Work-in-Progress	472	274	289	215	399	411
Goodwill	-	-	-	-	-	-
<b>Investments</b>	<b>333</b>	<b>1,264</b>	<b>1,261</b>	<b>2,438</b>	<b>2,438</b>	<b>3,138</b>
Long term loans and advan			400	396	420	450
Current Assets	5,601	5,368	5,834	5,547	6,900	8,008
Cash	1,777	1,892	1,628	1,830	2,503	2,850
Loans & Advances	758	624	452	521	594	709
Other	3,066	2,852	3,754	3,196	3,803	4,450
Current liabilities	5,784	6,733	6,620	6,449	7,417	7,483
<b>Net Current Assets</b>	<b>(183)</b>	<b>(1,365)</b>	<b>(786)</b>	<b>(902)</b>	<b>(517)</b>	<b>525</b>
<b>Total Assets</b>	<b>2,229</b>	<b>2,335</b>	<b>3,333</b>	<b>4,295</b>	<b>4,845</b>	<b>6,521</b>

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

**Cash Flow Statement (Standalone)**

Y/E March (₹ cr)	FY2009*	FY2010	FY2011	FY2012	FY2013E	FY2014E
Profit before tax	3,025	2,707	2,730	3,350	4,148	4,799
Depreciation	195	184	221	218	224	226
Change in Working Capital	(330)	1,375	(538)	205	151	(732)
Interest / Dividend (Net)	(126)	(117)	(190)	(161)	(158)	(211)
Direct taxes paid	524	604	631	778	963	1,114
Others	(19)	(67)	(142)	208	617	6
<b>Cash Flow from Operations</b>	<b>2,220</b>	<b>3,477</b>	<b>1,450</b>	<b>3,043</b>	<b>4,019</b>	<b>2,975</b>
(Inc.)/ Dec. in Fixed Assets	(629)	(502)	(192)	21	(364)	(129)
(Inc.)/ Dec. in Investments	1,167	(931)	3	(1,178)	0	(700)
<b>Cash Flow from Investing</b>	<b>538</b>	<b>(1,434)</b>	<b>(189)</b>	<b>(1,156)</b>	<b>(364)</b>	<b>(829)</b>
Issue of Equity	39	32	(73)	38.1	-	-
Inc./(Dec.) in loans	333	(422)	-	-	-	-
Dividend Paid (Incl. Tax)	1,677	1,656	1,642	1,884	3,140	2,009
Interest / Dividend (Net)	(122)	(117)	(190)	(161)	(158)	(211)
<b>Cash Flow from Financing</b>	<b>(1,181)</b>	<b>(1,929)</b>	<b>(1,525)</b>	<b>(1,685)</b>	<b>(2,981)</b>	<b>(1,799)</b>
Inc./(Dec.) in Cash	1,576	115	(264)	201	673	347
<b>Opening Cash balances</b>	<b>201</b>	<b>1,777</b>	<b>1,892</b>	<b>1,628</b>	<b>1,830</b>	<b>2,503</b>
<b>Closing Cash balances</b>	<b>1,777</b>	<b>1,892</b>	<b>1,628</b>	<b>1,830</b>	<b>2,503</b>	<b>2,850</b>

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

**Key Ratios**

Y/E March	FY2009*	FY2010	FY2011	FY2012	FY2013E	FY2014E
<b>Valuation Ratio (x)</b>						
P/E (on FDEPS)	47.7	54.1	51.1	43.9	37.1	32.0
P/CEPS	43.8	51.6	50.9	42.3	34.6	30.2
P/BV	57.3	45.7	44.4	33.6	29.3	20.7
Dividend yield (%)	1.4	1.2	1.2	1.4	2.3	1.5
EV/Sales	5.8	6.6	6.0	5.3	4.5	3.9
EV/EBITDA	44.2	45.5	49.0	39.3	33.7	28.8
EV / Total Assets	52.7	49.7	43.4	31.6	27.5	19.4
<b>Per Share Data (₹)</b>						
EPS (Basic)	11.5	9.6	9.7	11.9	14.7	17.0
EPS (fully diluted)	11.6	9.7	9.7	11.9	14.7	17.0
Cash EPS	12.5	10.6	10.7	12.9	15.8	18.1
DPS	7.5	6.5	6.5	7.5	12.5	8.0
Book Value	9.5	12.0	12.3	16.3	18.6	26.4
<b>Returns (%)</b>						
ROCE (Pre-tax)	138.9	103.6	85.7	85.5	81.2	74.1
Angel ROIC (Pre-tax)	-	-	-	-	-	-
ROE	142.9	90.5	80.1	83.4	84.5	75.8
<b>Turnover ratios (x)</b>						
Asset Turnover (Gross Block)	7.0	4.9	5.2	5.7	6.4	7.1
Inventory / Sales (days)	46	45	53	42	46	46
Receivables (days)	10	14	18	11	9	10
Payables (days)	77	110	105	87	81	78
WC cycle (ex-cash) (days)	(35)	(68)	(50)	(50)	(48)	(32)

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

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### Disclosure of Interest Statement

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

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

### Ratings (Returns):

Buy (&gt; 15%)

Reduce (-5% to -15%)

Accumulate (5% to 15%)

Sell (&lt; -15%)

Neutral (-5 to 5%)