

Hindustan Unilever

 BSE SENSEX
58,305

 S&P CNX
17,369

CMP: INR2,809 TP: INR3,280 (+17%)
Buy


Hindustan Unilever Limited

Stock Info

Bloomberg	HUVR IN
Equity Shares (m)	2,350
M.Cap.(INRb)/(USD\$b)	6599.4 / 89.8
52-Week Range (INR)	2825 / 2001
1, 6, 12 Rel. Per (%)	11/14/-21
12M Avg Val (INR M)	4882
Free float (%)	38.1

Financials Snapshot (INR b)

Y/E Mar	2021	2022E	2023E
Sales	460.0	507.4	581.5
Sales Gr. (%)	18.6	10.3	14.6
EBITDA	113.2	128.2	153.9
Margins (%)	24.6	25.3	26.5
Adj. PAT	81.8	90.3	111.7
Adj. EPS (INR)	34.8	38.4	47.5
EPS Gr. (%)	11.5	10.4	23.7
BV/Sh.(INR)	201.8	201.8	201.8

Ratios

RoE (%)	29.5	19.0	23.6
RoCE (%)	39.0	25.9	31.6
Payout (%)	116.3	100.2	99.9

Valuations

P/E (x)	80.7	73.1	59.1
P/BV (x)	13.9	13.9	13.9
EV/EBITDA (x)	57.9	51.1	42.5
Div. Yield (%)	1.4	1.4	1.7

Shareholding pattern (%)

As On	Jun-21	Mar-21	Jun-20
Promoter	61.9	61.9	61.9
DII	10.8	10.7	8.3
FII	15.1	15.0	14.8
Others	12.2	12.5	15.0

FII Includes depository receipts

Longer term growth engines robust

Hindustan Unilever (HUVR)'s Annual Investor Meet once again underlined the immense moats the company has and the remarkable nimbleness it has exhibited and continues to exhibit despite being much larger than peers.

- The management shared details on the augmentation of its analytics and R&D strengths, which were already far superior v/s peers.
- As highlighted in our [Annual Report note](#), there have been a host of initiatives in the past year focusing on the burgeoning E-Commerce market, which now contributes 8–9% to HUVR's sales. The company's portfolio is already well-placed, with its E-Commerce market share higher than its Modern Trade (MT) market share, which, in turn, is higher than its General Trade (GT) market share.
- Winning in Many Indias (WiMI) has been a key factor driving volume growth and market share gains for the company in recent years. However, the localization of products as well as communication is only gathering further steam – of which the company stated several examples in the analyst meet in categories ranging from Foods to Beauty and Personal Care (BPC) – and ought to be a key driver of growth for many years to come.
- In the past decade, the company has seen a 9% sales CAGR and EBITDA margins have expanded ~1,000bp (despite the consistent guidance for modest improvement in operating margins). This was in spite of significant disruptions in the form of weak rural growth in the second half of the decade, demonetization, GST, and COVID. The management is aiming for a double-digit EPS CAGR over the next 10 years, led by top line. With the long runway for growth in FMCG in India, increasing premiumization, and synergies from GSKCH, we believe earnings could continue to compound at 14–15% over the next 10 years, similar to growth in the preceding 10 years.
- The demand outlook is healthy as good rural growth in recent quarters would be sustained by good kharif (monsoon crop) sowing (which has been at healthy levels) and recovery in the urban markets post the lockdown impact in 1QFY22. Commodity costs, while still elevated, have remained stable on a sequential basis, improving the margin outlook, especially with further price increases taken in Skin Cleansing, Detergents, and Tea in 2QFY22.
- We maintain our **Buy** rating on the stock.

Details from the Analyst Meet

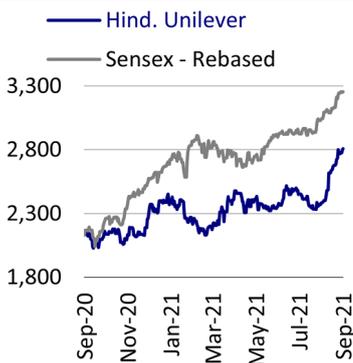
- **Gaining market share:** HUVR now has 14 brands with over INR10b in annual sales (v/s 12 brands last year). In FY21, it gained market share in 84% of its portfolio and launched more than 150 SKUs.
- **Well-placed; long runway for growth:** HUVR is by far the largest FMCG company in India as a result of the widest distribution reach and a humungous portfolio of large brands (two brands have over INR50b in sales, four brands

Krishnan Sambamoorthy – Research Analyst (Krishnan.Sambamoorthy@MotilalOswal.com)

Research Analyst: Dhairya Dhruv (Dhairya.Dhruv@MotilalOswal.com) / Kaiwan Jal Olia (kaiwan.o@motilalosal.com)

Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on www.motilalosal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Stock Performance (1-year)

over INR20b, 8 brands over INR10b, and 9 brands over INR5b). It is the market leader in 80% of its portfolio. Its people strength is also extremely robust, with the company being the No 1 employer across industries for over 10 years. Despite massive disruptions in the past decade, sales have compounded at nearly double digits over the past decade, even higher v/s smaller peers. Nevertheless, the scope for growth in India is high, especially for a company with HUVR's moats, with the per capita FMCG consumption in the country a fraction of even other Asian market peers (Indonesia 2x, China 3x, Philippines 6x, and Thailand 10x). While rural India has been a big driver of growth in recent years, the runway for growth in this region is even larger, with the per capita consumption a third of the levels of urban India.

- **Well-positioned in channels of the future:** As highlighted in our [Annual Report note](#), a host of initiatives in the past year have focused on the burgeoning E-Commerce market, which now contributes 8–9% to HUVR's sales. The company's portfolio is already well-placed, with the E-Commerce market share higher than the MT market share, which, in turn, is higher than the GT market share. In the company's largest segment – Beauty and Personal Care (BPC) – 6 of the top 10 brands sold on e-commerce are HUVR brands. India is the second fastest digitizing market in the world, with data costs among the lowest worldwide. India also has the highest number of digital payments, with the country overtaking China last year.
- **Local strategy/communication gaining further steam:** The company's WIMI strategy – which facilitated decentralized decision-making – has been an important driver of the top line and has also driven earnings growth higher v/s peers. The company in the Analyst Meet highlighted several instances of increasing pervasiveness. Lux is a large brand where the company has had a differentiated product mix across regions recently. Food is another category where a differentiated portfolio and differentiated advertising have been increasingly adopted in recent years in categories such as Tea, Coffee, and the Nutrition (GSK) portfolio.
- **Path to premiumization immense in large categories:** The Detergents market has seen strong premiumization over the past decade. Despite this, the potential for further premiumization is high, with 65m washing machines expected to be added over the next few years v/s the current washing machine base of 35m. With HUVR's higher market share in Premium Detergents (3x higher v/s the base), the company is particularly well-placed. The Liquid Detergents category (used in washing machines) has 2x higher realization v/s base products and is significantly gross margin-accretive. Beauty and Personal Care offers tremendous scope for premiumization, especially led by (a) the online channel (25–30m online shoppers in the category), (b) naturals-based beauty focus, and (c) personalization. The Hair Conditioner market, wherein the company has 70% market share, is seeing strong growth as a result of HUVR's category development efforts. The company has rolled out high-margin e-commerce focused BPC products such as sheet masks, skin serums, hair masks, and hair serums. As part of the Digital First approach for digitally native customers, a new Premium Beauty business unit has also been set up.
- **Scaling up on R&D and analytics; increasing flexibility:** The parent, Unilever, has over 5,000 scientists globally, of which 650 are in India (spread across three R&D centers), the largest R&D set up among the FMCG companies in India. Parent company, Unilever, has over 20,000 patents which the Indian subsidiary can benefit from. In addition, the India-based R&D team is working extensively

in the areas of digital, artificial intelligence, product design, packaging improvement, automation capabilities, and sustainability. The aim is to achieve higher growth v/s peers by transforming not just the products but also the categories. HUVR has digitized the entire value chain, from supplier to customer, and data is now considered the company's third largest asset apart from brands and people. The analytics team is (a) improving data captures, (b) reducing the time to launch, (c) facilitating launches in the right channel and markets, (d) improving logistics efficiency and reducing costs, and (e) helping the company find the right assortment of retail stores. With the traditional mom-and-pop shops still likely to be the dominant channel for FMCG companies going forward as well, these initiatives (coupled with the tie-up with the State Bank of India to finance channel partners) would go a long way in improving efficiency and sustaining strong channel relationships for HUVR.

Valuation and view

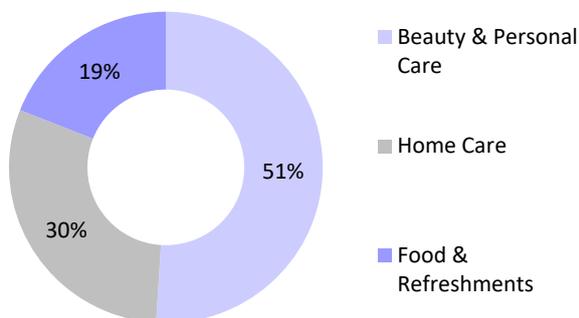
- The company continues to place the building blocks for future growth and has been able to do so ahead of peers. It continues to display the dexterity shown over the last decade despite its larger size, even as it continues to grow faster v/s peers.
- HUVR continues to strengthen the key drivers of its success in India over the last decade, including (a) pioneering the use of technology to generate data and facilitate decision making, (b) the Winning in Many Indias (WiMI) strategy, focused on decentralization and localized strategies, (c) recognizing trends and investing in them early on, (d) funneling cost savings back into the business, and (e) its strong execution ability, which has led to positive earnings momentum.
- HUVR has historically had the upper hand when it comes to brand, distribution, and quality of personnel over peers, which they keep strengthening. With its dexterity in decision making, exemplified by WIMI and CCBT, as well as the cost savings (now 8% of sales) being plowed back into the business, the company has revitalized topline and earnings growth in the last decade – despite being much larger v/s peers. Finally, with its analytics and R&D initiatives in recent years (which are ahead of peers and gathering further momentum), HUVR is ensuring that it does not get disrupted in a dynamic environment and would, in fact, be the disrupter in most cases. No other consumer company in India has all of these advantages.
- The company's earnings growth has gained further impetus in recent years (before COVID-19 affected FY21) – it reported a ~18% EPS CAGR in the four years ended FY20. This is particularly impressive given the weak mid-single-digit earnings growth posted by (much smaller) peers in recent years.
- After premiumization in Detergents led to strong growth in detergent sales and margins in the last decade, the Personal Wash and Dishwashing segments show considerable promise going forward. The high-margin Discretionary portfolio was under pressure in FY21 – resulting in lower than the usual 12% adjusted EPS growth) – and is expected to face significant pressure in FY22 as well (albeit less than in the previous year). Nevertheless, the trajectory of premiumization over the medium term is evident. Additionally, synergies from the GSKCH business would play a big role in the resumption of strong earnings growth going forward.
- There is no material change in our forecasts. We maintain a Buy rating, with TP of INR3,280 (60x Dec'23E EPS).

Highlights from the Annual Investor Meet

Setting a solid foundation for ‘Winning in the new decade’

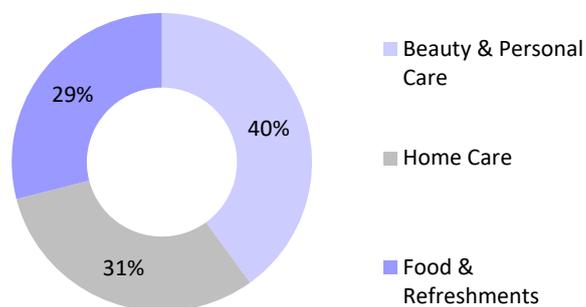
- With market capitalization of more than INR6.5t (USD88b), HUVR is India’s fifth largest company and among the top 15 Foods and HPC companies globally.
- HUVR has a portfolio of over 50 brands, having added 16 in the last decade. Impressively, HUVR owns 14 of India’s 100 most trusted brands. It is, therefore, unsurprising that 9 of 10 households use one or more of HUVR’s brands.
- Some of its marquee and largest brands in terms of sales include:
 - INR50b+: Surf Excel, Brooke Bond
 - INR20b+ : Horlicks, Lifebuoy, Wheel, Glow & Lovely
 - INR10b+ :Vim, Dove, Rin, Ponds, Clinic Plus, Lux, Kissan, Bru
 - INR5b+ :Close-up, Boost, Lakmé, Pears, Sunsilk, Comfort, Vaseline, Kwality Walls, Sunlight
- With a total reach of 8m outlets and over 30% of this under the company’s direct reach, HUVR’s network is the largest among FMCG peers. This is further complemented by the broadest advertising reach.
- With a repertoire of strong brands, supported by robust distribution reach, HUVR holds the leadership position in 80% of its categories.

Exhibit 1: In FY11, BPC made up more than half of HUVR’s sales worth INR194b



Source: Company, MOFSL

Exhibit 2: As the F&R segment grew, its salience to HUVR’s FY21 sales worth INR453b grew 1,000bps v/s FY11



Source: Company, MOFSL

Exhibit 3: HUVR has used an inorganic strategy to cover the whitespaces in its portfolio

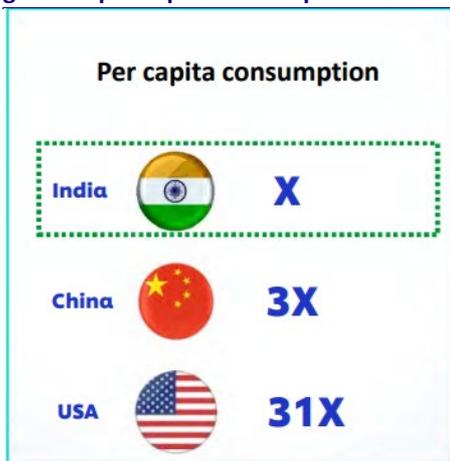


Source: Company, MOFSL

FMCG in India – poised for growth

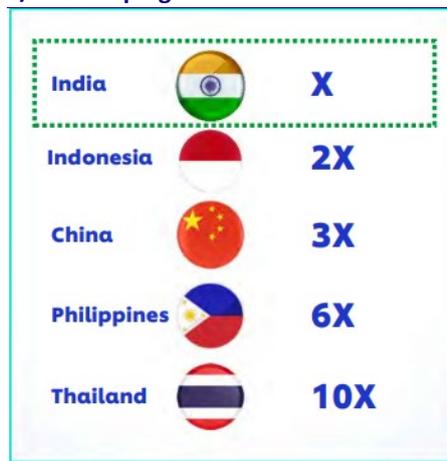
- India is one of the fastest growing economies and is expected to be the third largest economy in the world, with GDP of USD6t by CY30.
- India’s young population gives it access to the largest working class population in the world of 1.05b.
- India is expected to have more than 900m Internet users by CY25, registering a CAGR of 8%. 71% of new users are expected to come from rural areas, with the penetration levels among women / school kids growing to 52%/60% in CY25 (from 38%/39% in CY20).
- 74% of all households are expected to be nuclear by CY25. Nuclear families tend to divert a higher wallet share towards FMCG consumption.
- As the urbanization trend continues, cities with a population of 1m are expected to double by CY30.
- At the same time, rural has demonstrated buoyancy and remained resilient in its post-COVID momentum.
- HUVR believes the consumer of the future will embrace the following traits and is presenting them with brands that make those connections:
 - **Un-stereotype** – Rejects labels, has a greater sense of self-worth, embraces the unconventional
 - **Holistic health** – Looks for healthier products, priorities, and lifestyles, beyond just physical health
 - **Authenticity** – Reconnects with one’s roots, promotes a spirit of ‘new localism’, and looks for homegrown versions of modernity
 - **Hyper-personalization** – Makes meaningful connections and is powered digitally
 - **E- everything** – Has a digitally fuelled life
 - **Net zero** – Has a greater awareness of climate and is ‘Earth-positive’

Exhibit 4: India has large headroom to grow its per capita consumption...



Source: Company, MOFSL

Exhibit 5: ...especially its FMCG per capita consumption, which is low even v/s developing nations



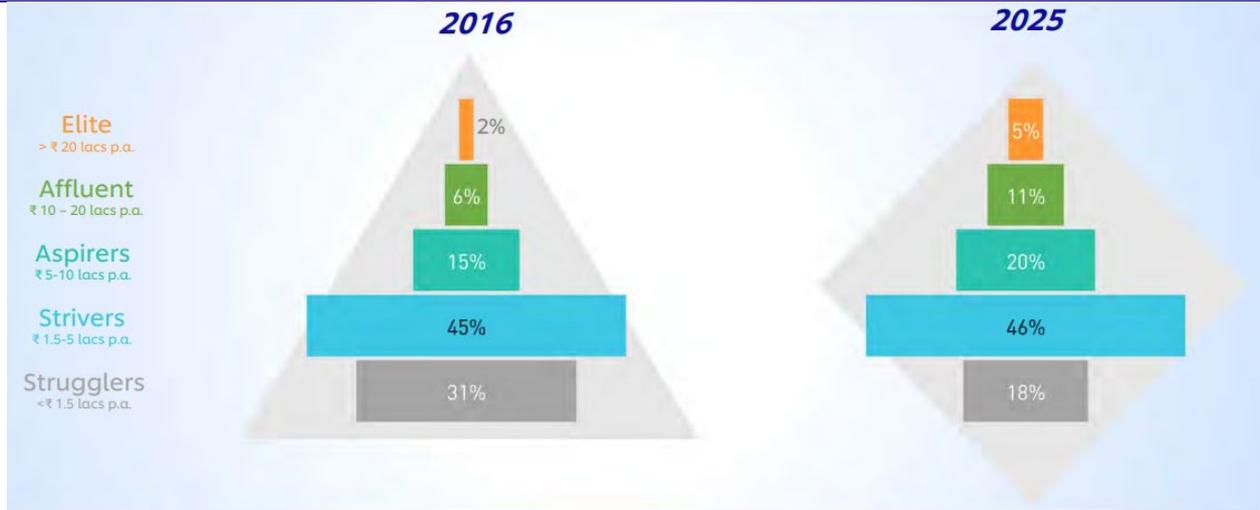
Source: Company, MOFSL

Exhibit 6: India also has penetration in many FMCG categories



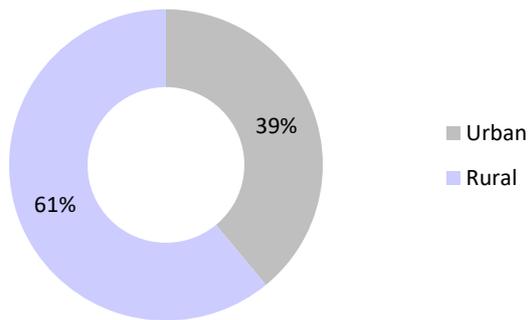
Source: Company, MOFSL

Exhibit 7: A rising middle class makes a strong case for a higher wallet share towards FMCG products



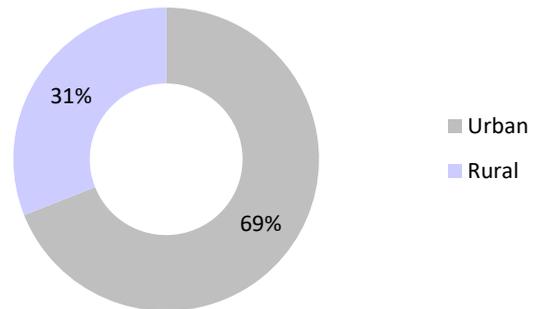
Source: Company, MOFSL

Exhibit 8: While the rural population accounts for 61% of India's population...



Source: Company, MOFSL

Exhibit 9: ...its share of consumption remains at just 31%, indicating significant potential for growth in rural



Source: Company, MOFSL

Winning in the new decade

- HUVR had put forth five strategic choices to help it win in the next decade:
 - Developing the portfolio – Growing the core portfolio while focusing on market development
 - Winning with brands as a force for good, powered by purpose and innovation
 - Leading in the channels of the future – Digitizing general trade, and focusing on modern trade and e-commerce
 - Building differentiated structures and capabilities – Offering a differentiated product mix and communication for different parts of India
 - Building a purpose-led, future-fit organization and growth culture
- HUVR also looks to build leaders of the future who are compassionate, sense-making, collaborative, purpose-driven, agile and responsive, brutally optimistic, and have ‘humbition’.

Exhibit 10: HUVR’s compass



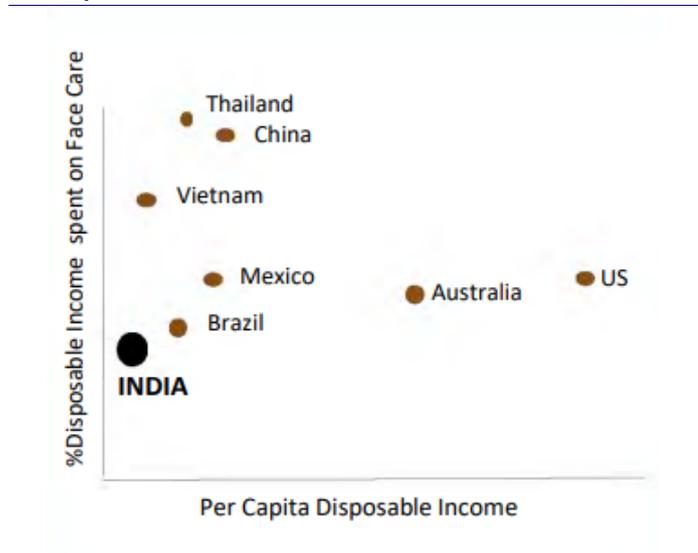
Source: Company, MOFSL

Beauty and Personal Care

- HUVR is India’s leading BPC company, with a leading position in multiple categories.
- The BPC segment has seen 1.7x growth over FY11–20 and currently has six brands with more than INR10b in annual turnover.
- With low per capita incomes and a low percentage of disposable income spent on Face Care, India is at the lower end of the market development curve.
- Category penetration for different formats and specific benefit segments is low, leaving a long runway for category development and education.
- Even in well-penetrated categories such as Hand Wash (30%), there is still large headroom for growth.
- A growing affluent and elite population is giving rise to a new-age customer at the top-end of the category, who is ahead on the adoption curve.
- Rising internet and smartphone penetration and higher time spent on digital media are giving rise to massive opportunity. India is estimated to have 25–30m online beauty shoppers.

- The increasing adoption of new formats, such as Skin and Hair Serums, Sheet Masks, and Hair Masks, is seen at the top-end of the category, driving premiumization.
- With a diversified product portfolio, HUVR has offerings that straddle the price pyramid.
- In addition to being the leader in Soaps, Lifebuoy leads the Hand Sanitizer market as well. HUVR also controls 70% of market share in the Hair Conditioner category – it has achieved this through educating its customer.
- HUVR’s key priorities include:
 - Growing the core market
 - Driving premiumization and market development
 - Winning with consumers of the future through digital channels
 - Creating people- and planet-positive brands

Exhibit 11: India is at the lower end of the market development curve



Source: Company, MOFSL

Exhibit 12: Formats and benefit segments are under-penetrated



Source: Company, MOFSL

Exhibit 13: With district-level planning and execution, HUVR is driving the mental and physical reach of access packs

Source: Company, MOFSL

Exhibit 14: BPC performance

Particulars (INR b)	FY17	FY18	FY19	FY20	FY21
Beauty & Personal Care revenue	163.0	164.6	176.6	173.5	179.6
YoY growth (%)	1.8	1.0	7.2	(1.8)	3.6
Contribution to total turnover (%)	47.3	46.8	46.2	44.7	39.1
Beauty & Personal Care EBIT	38.5	41.6	46.9	48.7	51.3
YoY growth (%)	1.2	8.1	12.6	3.9	5.3
Margins (%)	23.6	25.3	26.5	28.1	28.5
Beauty & Personal Care contribution to total EBIT (%)	64.9	60.9	58.0	56.2	49.7

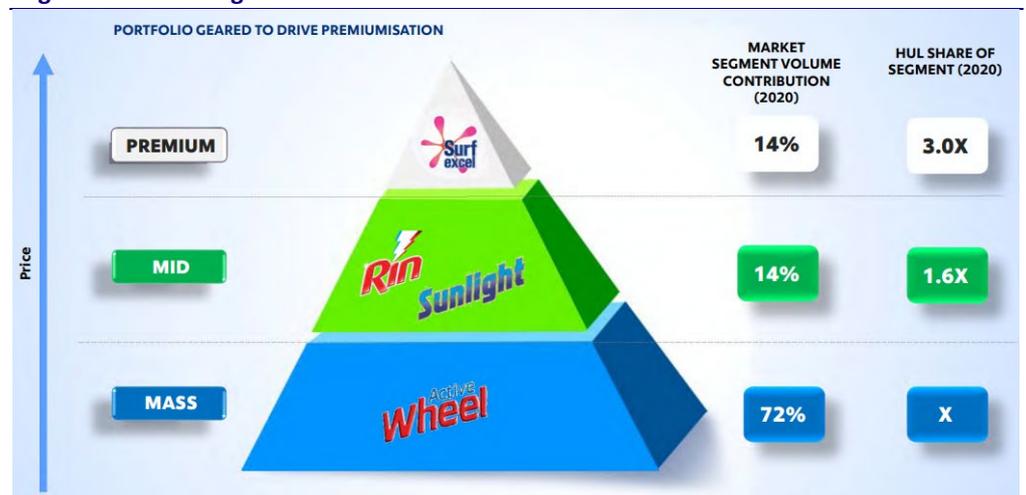
Source: Company, MOFSL

Home Care

- HUVR has grown its Home Care segment 2.3x over FY11–20 and now has four brands with a turnover of more than INR10b (Surf has a turnover of INR50b+).
- HUVR is the market leader in the Laundry and Dishwashing categories and is in the No. 2 position in the Surface Cleaners category.
- The company is betting on the following long-term drivers :
 - Automation of laundry – It expects 65m new washing machines to be added in the coming decade, taking the total count of washing machine households to more than 100m.
 - Modern-day living and wardrobes – As new fabrics (such as denims) find their way into the wardrobes of consumers, so would special cleaners.
 - More cleanable surfaces to drive Surface Cleaning and benefits in Dishwashing – COVID has created the need for cleaning previously ignored surfaces.
 - Changing consumer access channels – It is leading in MT and E-Commerce and aims to continue to do so.
 - Consumer trust at a premium – Brands have to ensure the building of trust.
 - Stressed environment – With 100m homes with poor water quality and a third of homes facing water-related stress, the amount of water that goes into dishwashing and fabric washing needs to be as low as possible.

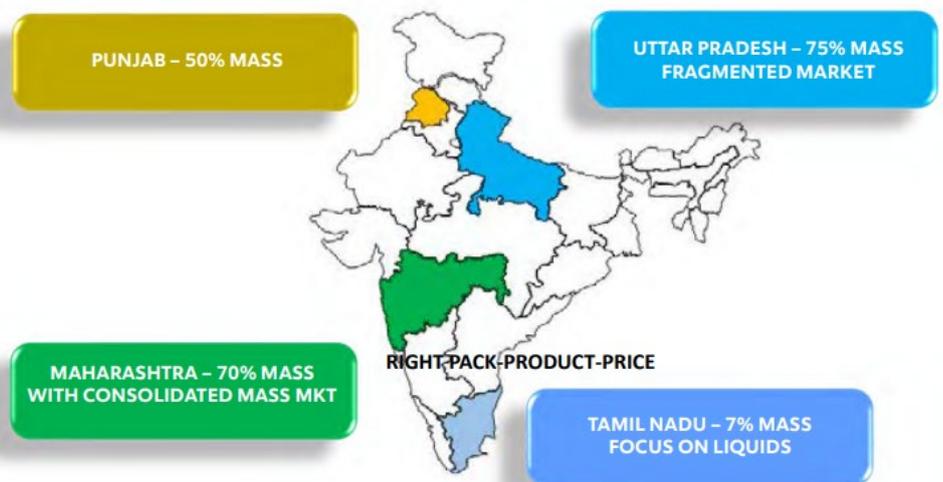
- HUVR’s four-pronged growth strategy in the segment includes a) growing the core, b) market development at scale, c) winning in channels of the future, and d) pioneering a clean future.
- The premiumization boost presents a big opportunity to grow the top line and margins. For instance, Liquid Detergents and Fabric Conditioners have 2x the realization of Powders and have penetration of less than 15%.
- HUVR partners with retailers in MT to captain categories and create partnerships that drive consumer value. Its Home Care liquid filling stations have received good early feedback.
- In E-Commerce, 6 of the top 10 products in the category belong to HUVR.
- HUVR aims to use 50% of PCR bottles for Comfort and Matic by end-CY21 and 100% of PCR bottles for Vim by 2HCY22.

Exhibit 15: With over half the market still operating in the mass segment, core laundry has huge headroom for growth



Source: Company, MOFSL

Exhibit 16: WiMI is the key to winning in a market where the premiumization S-curve varies by region



Source: Company, MOFSL

Exhibit 17: Home Care performance

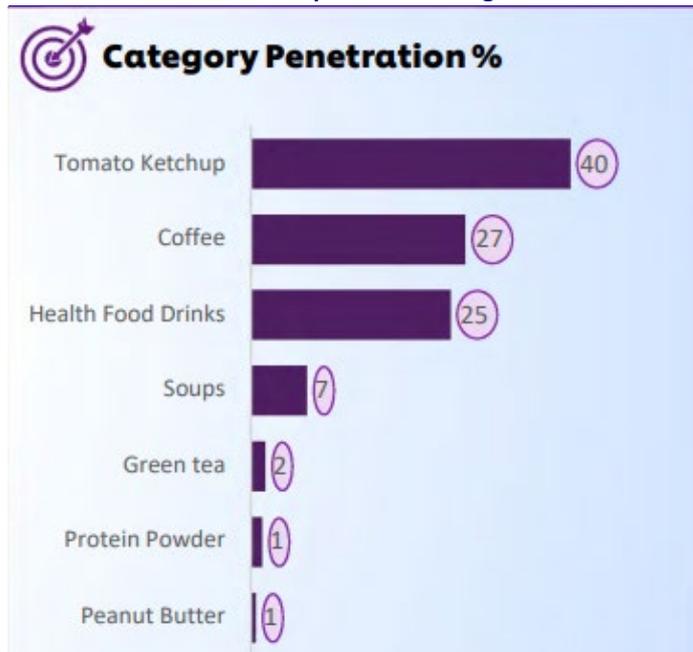
Particulars (INR b)	FY17	FY18	FY19	FY20	FY21
Home care revenue	113.5	116.3	128.8	136.4	139.6
YoY growth (%)	4.9	2.5	10.7	5.9	2.3
Contribution to total turnover (%)	32.9	33.0	33.7	35.2	30.3
Home care EBIT	12.6	17.0	21.6	25.6	27.7
YoY growth (%)	19.6	34.7	27.6	18.3	8.3
Margins (%)	11.1	14.6	16.8	18.8	19.9
Home care contribution to total EBIT (%)	21.2	24.8	26.8	26.6	26.9

Source: Company, MOFSL

Foods and Refreshments

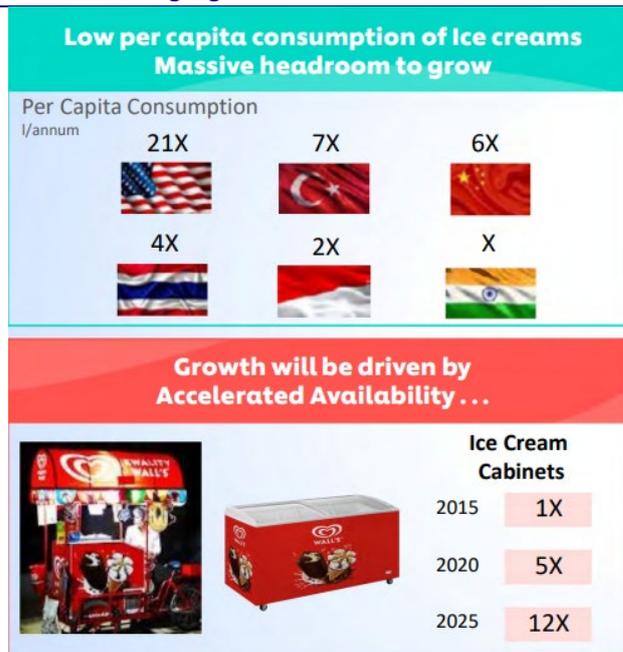
- With INR132b in FY21, HUVR is one of the largest listed Foods and Refreshments (F&R) companies in India, with strong leadership across categories.
- Low absolute penetration, even in relatively higher penetrated categories, presents large headroom for growth.
- Furthermore, Packaged Foods accounts for just 10% of the overall Foods market.
- HUVR's strategy comprises the following:
 - Bridging India's nutritional deficiency
 - Using purposeful brands
 - Accelerating out-of-home channel growth
 - Driving high science based innovations
 - Undertaking the market development of new benefit segments
 - Implementing a sustainable farm-to-fork model
- HUVR would take the direct coverage of the Horlicks brand to 2x its base coverage.
- Coffee: In northern India, it would drive market development, where penetration is 17%, through starter packs and identifying consumer preferences. Conversely, it would drive premiumization in southern India, where the category penetration is 87%.

Exhibit 18: Headroom to expand in all categories



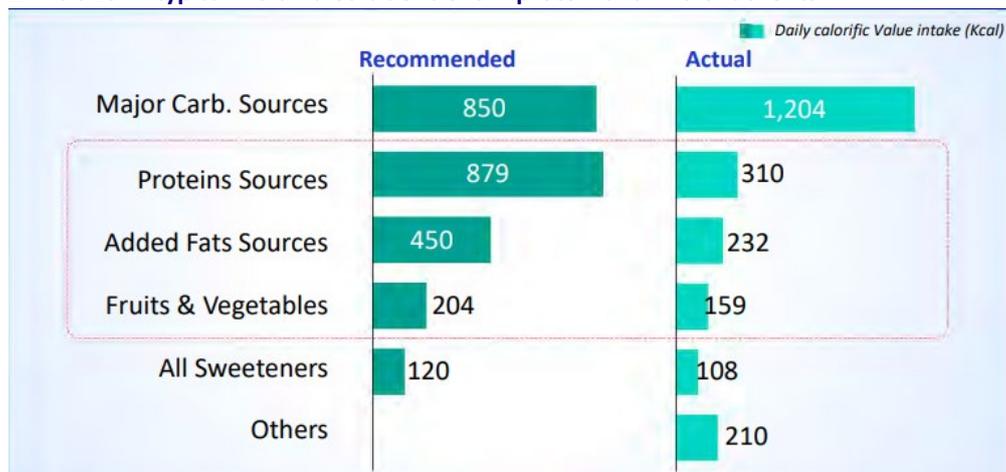
Source: Company, MOFSL

Exhibit 19: Betting big on ice creams



Source: Company, MOFSL

Exhibit 20: A typical Indian diet is deficient in protein and micronutrients



Source: Company, MOFSL

Exhibit 21: F&R performance

Particulars (INR b)	FY17	FY18	FY19	FY20	FY21
Foods & Refreshment revenue	59.7	64.9	71.3	74.5	132.0
YoY growth (%)	7.1	8.6	10.0	4.4	77.2
Contribution to total turnover (%)	17.3	18.4	18.7	19.2	28.7
Foods & Refreshment EBIT	8.4	9.9	12.4	12.3	21.9
YoY growth (%)	6.3	17.4	25.4	(0.3)	77.7
Margins (%)	14.1	15.2	17.3	16.5	16.6
Foods & Refreshment contribution to total EBIT (%)	14.2	14.4	15.3	14.2	21.2

Source: Company, MOFSL

Research & development

- HUVR has the largest FMCG R&D capabilities in India, with three centers in Bengaluru, Mumbai, and Gurugram.
- Globally, parent company Unilever's network of 18 R&D centers makes it a powerhouse of innovation – it owns over 20,000 patents globally.
- HUVR has more than 650 scientists in India, including 100+ PhDs. Its labs are fitted for the future with capabilities in D&I, digital, and automation.
- In the past, HUVR has shown its R&D prowess through some examples such as pioneering the use of non-edible oils in soaps, creating the first low-cost laundry powder that was gentle on the hands (Wheel), patenting Vitamin B3 in sunscreens, and remodeling the taste of tea using cell biology.
- HUVR's R&D strategy revolves around:
 - **Customer-focused, superior products** – For example, Lux stands for the best fragrance and skin care. HUVR uses cellular, cognitive, and other insights for its development.
 - **Keeping sustainability at the core** – It has developed low-carbon products and has carbon capture plants.
 - **Using next-generation science and technology**
 - **Reimagining R&D altogether** – It has high investments in digital and AI, automation & robotics and labs of the future; An advanced manufacturing center to eliminate factory trials.
- Nutritional R&D – The focus is on delivering responsible and affordable nutritional products. HUVR is a leader in the Access to Nutrition Index CY21.

Exhibit 22: Pioneering the use of circular packaging



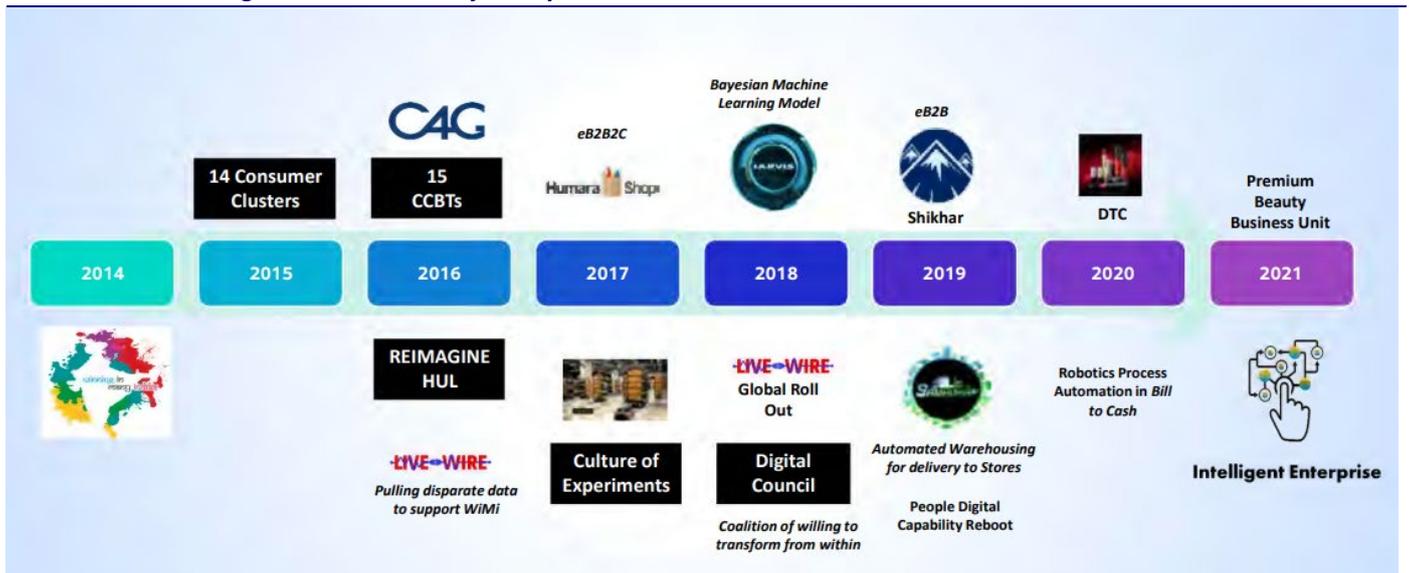
Source: Company, MOFSL

Digital transformation and growth

- India has seen a meteoric rise in digital adoption, with 761m Internet users in CY21 (from 302m in CY15) and 439m smartphones users in CY21 (from 220m in CY15).
- Digital data consumption has surged to 14GB per day per person in CY21 (from 0.8GB in CY15). India also has one of the lowest costing Telecom markets in the world at USD0.6/GB, on average, in CY21 (USD4/GB in CY15).
- This has been enabled by robust data ecosystems, strong e-governance, and a large start-up ecosystem (the third largest globally).
- India now has the highest number of real-time digital payments, even ahead of China, driving digital and financial inclusion.

- HUVR has moved away from a traditional linear value chain to non-linear, integrated ecosystems.
- Using its agile innovation hub, HUVR has been able to move rapidly from trend identification, attribute definition, iterative prototyping, to launch. This has given it the ability to fast track launches at half the time v/s earlier periods.
- It has been able to create moats across its connected customer ecosystem, including demand generation, capture, and fulfillment.
- Using the Shikhar app and by enabling payment tie-ups, HUVR seeks to redefine the GT channel.

Exhibit 23: HUVR’s digital transformation journey



Source: Company, MOFSL

Consumer ecosystem

- Agile innovation hub: Always-on insights engine; AI-led consumer understanding; AI-led product, consumer, and customer experiences
- Parallel processes and iterative design: Always-on trend discovery, idea generation, digital product design, always-on testing, and knowledge-based story selling
- HUVR also captures trends from foreign countries and has thus far screened 186m ideas.
- The use of AI and big data tools ensure the product reaches the right consumer in the right channel, and so forth.
- Last mile is referred to as the ‘first mile of truth’ when the consumer puts the product in the basket.
- Media – AI drives content and selects the right media mix.

Customer ecosystem

- It is able to anticipate customer requirements more accurately.
- It has implemented the facility of live tracking trucks from the warehouse to the distributor as well as enabled live van tracking from the distributor to the stores.
- Shikhar has penetrated 0.6m outlets, with 10% of orders coming via the app.

- It has enabled taking premium beauty brands such as Lakmé, Dermalogica, Simple, Love Beauty and Planet, and Indulekha D2C with their availability on the UShop platform in Mumbai and Delhi for monthly purchases.
- It is enhancing the working capital for small shops across the country by unlocking access to credit, in association with SBI, without any collateral.

Exhibit 24: HUVR's connected customer journey



Source: Company, MOFSL

Operations ecosystem

- Technology has enabled the creation of an end-to-end future-fit supply chain consisting of local supply, proximity to demand, the leveraging of scale, and flexibility for better and faster deliveries.
- It has made planning better with real-time and democratized information (RTVA), with no touch planning.
- At the same time, it leverages AI and ML to plan secondary sales levels.
- In some places of operation, it has implemented 'no planning' – 'produce today what we sold tomorrow' (PTWWSY)
- HUVR has been able to continuously improve costs and cash by adopting cutting-edge technology.

Data, tech, and analytics

- It is democratizing data with Chanakya, an easy-to-use insights facility.
- It has the capability to conduct an easy search in a simple and secure manner.
- Augmented Reality – It is accelerating market development using AR, which has proved useful during the lockdowns.
- It is fostering a culture that is a future fit.

Presentation by the CFO

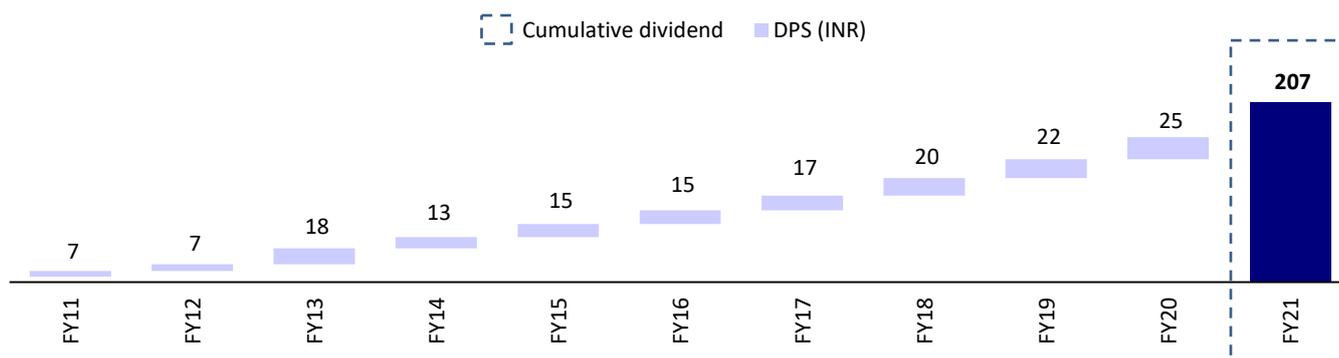
- With a median age of 28, India has the world's largest millennial population and is poised to become the third largest economy by CY30.

- At a per capita FMCG spend of USD50, India is much lower than other developing nations, such as Indonesia.
- Over the next decade, HUVR has four competitive growth levers: 1) growing the core, 2) driving the portfolio to the premium space ahead of the core, 3) driving market development ahead of premium growth, and 4) creating categories of the future.
- While the EBITDA margin improved to 25% in FY21 (from 13% in FY11), the aim is to increase margins by a modest amount via cost savings, premiumization, and bringing in synergies from the GSK Nutrition business.
- Using cost savings to fuel growth: Savings are seen as a strategic KPI that all senior-level managers have to use. Every cost that does not add value to the customer is questioned. For example:
 - **Design to provide value:** Ensuring that value is delivered to the consumer at the lowest possible cost
 - **Supply chain (km traveled per ton):** Buy smart, operate efficiently, load more, and travel less
 - **Media:** Calculate the contribution to growth
 - **Overheads:** Every cost is challenged. Only those costs that add value have space in the system.
- Sources of synergies from the Nutrition business include (a) driving penetration, (b) building future-ready formats, (c) upgrades and premiumization, (d) distribution multipliers, and (e) unlocking the northern and western markets.
- It has launched new small pouches of Horlicks, which have done well.
- It has doubled the direct coverage in the Nutrition business as well as its e-commerce contribution.
- The Plus range has been activated in the portfolio.
- HUVR invests 2% of turnover in capital costs.
- The entire business model is capital-light.
- It has negative 18 days of net working capital.

Exhibit 25: HUVR has consistently delivered superior returns to shareholders v/s benchmark indices despite FY21 being an aberration

Date of purchase	HUL Share Performance* (%)	Sensex Performance* (%)	HUL v/s Sensex (%)	Nifty Performance* (%)	HUL v/s Nifty (%)
30-Mar-2012	493	184	309	177	316
28-Mar-2013	422	163	259	159	263
31-Mar-2014	303	121	182	119	184
31-Mar-2015	178	77	101	73	105
31-Mar-2016	180	95	85	90	90
31-Mar-2017	167	67	100	60	107
28-Mar-2018	82	50	32	45	37
29-Mar-2019	42	28	14	26	16
31-Mar-2020	6	68	-62	71	-65

* Performance v/s 31-Mar-2021 Source: Bloomberg, MOFSL

Exhibit 26: Cumulative yield of 87% on CMP of INR237 (1st Apr'11)

*Only considered final dividend of INR3.5 in FY10 (Total dividend in FY10 is INR6.5)

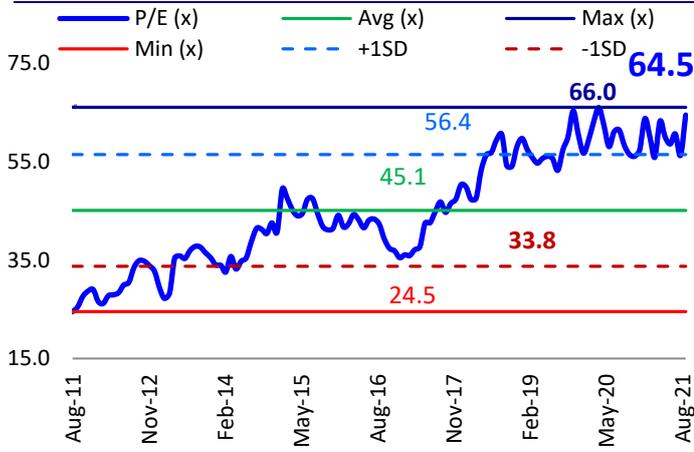
Source: Company, MOFSL

Valuation and view

- The company continues to place the building blocks for future growth and has been able to do so ahead of peers. It continues to display the dexterity shown over the last decade despite its larger size, even as it continues to grow v/s peers.
- HUVR continues to strengthen the key drivers of its success in India over the last decade, including (a) pioneering the use of technology to generate data and facilitate decision making, (b) the Winning in Many Indias (WiMI) strategy, focused on decentralization and localized strategies, (c) recognizing trends and investing in them early on, (d) funneling cost savings back into the business, and (e) its strong execution ability, which has led to positive earnings momentum.
- HUVR has historically had the upper hand when it comes to brand, distribution, and quality of personnel over peers, which they keep strengthening. With its dexterity in decision making, exemplified by WIMI and CCBT, as well as the cost savings (now 8% of sales) being plowed back into the business, the company has revitalized topline and earnings growth in the last decade – despite being much larger v/s peers. Finally, with its analytics and R&D initiatives in recent years (which are ahead of peers and gathering further momentum), HUVR is ensuring that it does not get disrupted in a dynamic environment and would, in fact, be the disrupter in most cases. No other consumer company in India has all of these advantages.
- The company's earnings growth has gained further impetus in recent years (before COVID-19 affected FY21) – it reported a ~18% EPS CAGR in the four years ended FY20. This is particularly impressive given the weak mid-single-digit earnings growth posted by (much smaller) peers in recent years.
- After premiumization in Detergents led to strong growth in detergent sales and margins in the last decade, the Personal Wash and Dishwashing segments show considerable promise going forward. The high-margin Discretionary portfolio was under pressure in FY21 – resulting in lower than the usual 12% adjusted EPS growth) – and is expected to face significant pressure in FY22 as well (albeit less than in the previous year). Nevertheless, the trajectory of premiumization over the medium term is evident. Additionally, synergies from the GSKCH business would play a big role in the resumption of strong earnings growth going forward.

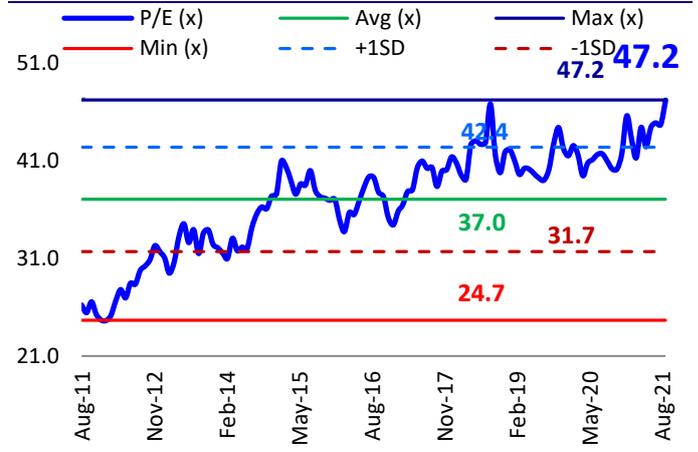
- There is no material change in our forecasts. We maintain a Buy rating, with TP of INR3,280 (60x Dec'23E EPS).

Exhibit 27: HUVR P/E (x)



Source: Bloomberg, Company, MOFSL

Exhibit 28: Consumer sector P/E (x)



Source: Bloomberg, Company, MOFSL

Financials and valuations

Income Statement							(INR b)
Y/E March	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
Net Sales	313.0	339.3	376.6	382.7	453.1	500.2	574.0
Other Oper. Income	5.9	6.0	5.6	5.1	6.9	7.2	7.6
Total Revenue	318.9	345.3	382.2	387.9	460.0	507.4	581.5
Change (%)	2.7	8.3	10.7	1.5	18.6	10.3	14.6
COGS	156.9	162.3	179.6	177.9	216.8	238.0	269.2
Gross Profit	162.1	182.9	202.6	209.9	243.2	269.4	312.4
Gross Margin (%)	50.8	53.0	53.0	54.1	52.9	53.1	53.7
Operating Exp	101.6	110.2	116.3	113.9	130.0	141.2	158.4
% of sales	31.9	31.9	30.4	29.4	28.3	27.8	27.2
EBITDA	60.5	72.8	86.4	96.0	113.2	128.2	153.9
Change (%)	5.2	20.3	18.7	11.1	18.0	13.2	20.1
Margin (%)	19.0	21.1	22.6	24.8	24.6	25.3	26.5
Depreciation	4.0	4.8	5.2	9.4	10.1	10.7	11.5
Int. and Fin. Charges	0.2	0.2	0.3	1.1	1.1	0.6	0.7
Other Income - Recurring	5.3	5.7	6.6	7.3	5.1	5.2	7.5
Profit before Taxes	61.6	73.5	87.5	92.9	107.2	122.1	149.3
Change (%)	3.0	19.4	19.1	6.2	15.4	13.9	22.3
Margin (%)	19.7	21.7	23.2	24.3	23.7	24.4	26.0
Tax	18.7	21.5	27.5	23.9	24.6	31.7	37.6
Deferred Tax	0.4	-1.0	-0.8	1.5	0.8	0.0	0.0
Tax Rate (%)	31.0	27.9	30.5	27.4	23.7	26.0	25.2
Profit after Taxes	42.5	53.0	60.8	67.4	81.8	90.3	111.7
Change (%)	1.9	24.7	14.7	10.9	21.3	10.4	23.7
Margin (%)	13.6	15.6	16.1	17.6	18.1	18.1	19.5
Non-rec. (Exp)/Income	2.4	-0.6	-0.4	-0.1	-2.3	0.0	0.0
Reported PAT	44.9	52.4	60.4	67.4	79.5	90.3	111.7

Balance Sheet							(INR b)
Y/E March	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
Share Capital	2.2	2.2	2.2	2.2	2.4	2.4	2.4
Reserves	62.7	68.6	74.4	78.2	472.0	471.8	471.9
Net Worth	64.9	70.8	76.6	80.3	474.3	474.2	474.3
Loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital Employed	64.9	70.8	76.6	80.3	474.3	474.2	474.3
Gross Block	65.8	71.8	79.0	95.5	565.4	570.4	575.4
Less: Accum. Depn.	-25.6	-30.4	-35.6	-45.0	-55.1	-65.8	-77.2
Net Fixed Assets incl Goodwill	40.2	41.4	43.4	50.6	510.3	504.6	498.1
Capital WIP	2.0	4.3	3.7	5.1	6.2	6.2	6.2
Investment in Subsidiaries	2.5	2.5	2.5	2.5	3.1	3.1	3.1
Current Investments	35.3	28.6	27.0	12.5	26.9	29.9	33.9
Deferred Charges	1.6	2.6	3.4	2.6	-59.9	-59.9	-59.9
Curr. Assets, L&A	65.9	92.1	98.6	122.7	134.7	151.1	171.8
Inventory	23.6	23.6	24.2	26.4	33.8	39.6	44.2
Account Receivables	9.3	11.5	16.7	10.5	16.5	21.3	22.0
Cash and Bank Balance	16.7	33.7	36.9	50.2	43.2	47.8	57.9
Others	16.2	23.3	20.8	35.7	41.2	42.4	47.7
Curr. Liab. and Prov.	82.6	100.7	102.1	115.7	147.0	160.9	179.0
Account Payables	60.1	70.1	70.7	74.0	86.3	96.2	111.2
Other Liabilities	13.8	16.4	15.9	25.6	40.3	42.3	44.4
Provisions	8.7	14.2	15.5	16.2	20.4	22.4	23.4
Net Current Assets	-16.8	-8.6	-3.4	7.0	-12.3	-9.7	-7.2
Application of Funds	64.9	70.8	76.6	80.3	474.3	474.2	474.3

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
Basic (INR)							
EPS	19.6	24.5	28.1	31.2	34.8	38.4	47.5
Cash EPS	21.5	26.7	30.5	35.6	39.1	43.0	52.4
BV/Share	30.0	32.7	35.4	37.2	201.8	201.8	201.8
DPS	17.0	20.0	22.0	25.0	40.5	38.5	47.5
Payout %	97.9	98.9	94.8	96.2	116.3	100.2	99.9
Valuation (x)							
P/E	143.0	114.7	100.0	89.9	80.7	73.1	59.1
Cash P/E	130.8	105.2	92.0	79.0	71.8	65.3	53.6
EV/Sales	19.4	17.8	16.0	15.7	14.5	13.1	11.4
EV/EBITDA	100.2	83.0	69.9	62.6	57.9	51.1	42.5
P/BV	93.6	85.9	79.3	75.5	13.9	13.9	13.9
Dividend Yield (%)	0.6	0.7	0.8	0.9	1.4	1.4	1.7
Return Ratios (%)							
RoE incl. Goodwill	66.5	78.1	82.5	86.0	29.5	19.0	23.6
RoCE incl. Goodwill	96.7	108.6	119.1	119.8	39.0	25.9	31.6
Working Capital Ratios							
Debtor (Days)	10.8	12.3	16.2	10.0	13.3	15.6	14.0
Asset Turnover (x)	4.8	4.8	4.9	4.8	1.0	1.1	1.2
Leverage Ratio							
Debt/Equity (x)	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Cash Flow Statement

(INR b)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
OP/(loss) before Tax	61.6	72.9	85.2	90.9	104.9	122.1	149.3
Financial other income	-0.9	-2.8	-0.8	-1.6	0.6	-5.2	-7.5
Depreciation	4.0	4.8	5.2	9.4	10.7	10.7	11.5
Net Interest Paid	-2.4	-2.5	-3.0	-3.9	-2.4	0.6	0.7
Direct Taxes Paid	-18.0	-21.9	-26.9	-24.7	-23.7	-31.7	-37.6
(Incr)/Decr in WC	5.4	8.6	-2.6	3.0	-0.6	2.0	7.6
CF from Operations	49.5	59.1	57.3	73.1	89.6	98.5	124.0
Other Items	0.5	4.9	4.5	-8.5	11.9	8.4	10.6
(Incr)/Decr in FA	-8.5	-8.3	-7.2	-7.0	-39.5	-5.0	-5.0
Free Cash Flow	41.0	50.9	50.0	66.0	50.0	93.5	119.0
(Pur)/Sale of Investments	-9.7	7.8	3.3	22.5	23.9	-3.0	-4.0
CF from Invest.	-17.8	4.4	0.5	7.0	-3.7	0.4	1.6
Dividend Paid	-35.6	-39.0	-45.5	-62.4	-88.1	-90.5	-111.6
Others	-7.0	-7.6	-9.2	-4.3	-4.7	-3.8	-3.8
CF from Fin. Activity	-42.6	-46.5	-54.6	-66.8	-92.8	-94.3	-115.5
Incr/Decr of Cash	-10.9	17.0	3.2	13.3	-7.0	4.6	10.1
Add: Opening Balance	27.6	16.7	33.7	36.9	50.2	43.2	47.8
Closing Balance	16.7	33.7	36.9	50.2	43.2	47.8	57.9

E: MOFSL Estimates

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Investment Advisory Services, Depository participant services & distribution of various financial products. MOFSL is a subsidiary company of Passionate Investment Management Pvt. Ltd.. (PIMPL). MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/List%20of%20Associate%20companies.pdf>

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (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) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act") and together with the 1934 Act, the "Acts), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered/qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets Singapore Pte Ltd ("MOCMSPL") (Co.Reg. NO. 201129401Z) which is a holder of a capital markets services license and an exempt financial adviser in Singapore. As per the approved agreement under Paragraph 9 of Third Schedule of Securities and Futures Act (CAP 289) and Paragraph 11 of First Schedule of Financial Advisors Act (CAP 110) provided to MOCMSPL by Monetary Authority of Singapore. Persons in Singapore should contact MOCMSPL in respect of any matter arising from, or in connection with this report/publication/communication. This report is distributed solely to persons who qualify as "Institutional Investors", of which some of whom may consist of "accredited" institutional investors as defined in section 4A(1) of the Securities and Futures Act, Chapter 289 of Singapore ("the SFA"). Accordingly, if a Singapore person is not or ceases to be such an institutional investor, such Singapore Person must immediately discontinue any use of this Report and inform MOCMSPL.

Specific Disclosures

- 1 MOFSL, Research Analyst and/or his relatives does not have financial interest in the subject company, as they do not have equity holdings in the subject company.
- 2 MOFSL, Research Analyst and/or his relatives do not have actual/beneficial ownership of 1% or more securities in the subject company
- 3 MOFSL, Research Analyst and/or his relatives have not received compensation/other benefits from the subject company in the past 12 months
- 4 MOFSL, Research Analyst and/or his relatives do not have material conflict of interest in the subject company at the time of publication of research report
- 5 Research Analyst has not served as director/officer/employee in the subject company
- 6 MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- 7 MOFSL has not received compensation for investment banking/ merchant banking/brokerage services from the subject company in the past 12 months
- 8 MOFSL has not received compensation for other than investment banking/merchant banking/brokerage services from the subject company in the past 12 months
- 9 MOFSL has not received any compensation or other benefits from third party in connection with the research report
- 10 MOFSL has not engaged in market making activity for the subject company

The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company
- received compensation/other benefits from the subject company in the past 12 months
- other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- 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) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential 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 MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Disclaimer:

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. This report and information herein is solely for informational purpose and may 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. 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. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. 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 MOFSL 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 certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 71934200/ 022-71934263; Website www.motilaloswal.com, CIN no.: L67190MH2005PLC153397. Correspondence Office Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad(West), Mumbai- 400 064. Tel No: 022 7188 1000.

Registration Nos.: Motilal Oswal Financial Services Limited (MOFSL)*: INZ000158836(BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412. AMFI: ARN - 146822; Investment Adviser: INA000007100; Insurance Corporate Agent: CA0579;PMS:INP000006712. Motilal Oswal Asset Management Company Ltd. (MOAMC): PMS (Registration No.: INP000000670); PMS and Mutual Funds are offered through MOAMC which is group company of MOFSL. Motilal Oswal Wealth Management Ltd. (MOWML): PMS (Registration No.: INP000004409) is offered through MOWML, which is a group company of MOFSL. Motilal Oswal Financial Services Limited is a distributor of Mutual Funds, PMS, Fixed Deposit, Bond, NCDs, Insurance Products and IPOs. Real Estate is offered through Motilal Oswal Real Estate Investment Advisors II Pvt. Ltd. which is a group company of MOFSL. Private Equity is offered through Motilal Oswal Private Equity Investment Advisors Pvt. Ltd which is a group company of MOFSL. Research & Advisory services is backed by proper research. Please read the Risk Disclosure Document prescribed by the Stock Exchanges carefully before investing. There is no assurance or guarantee of the returns. Investment in securities market is subject to market risk, read all the related documents carefully before investing. Details of Compliance Officer: Name: Neeraj Agarwal, Email ID: na@motilaloswal.com, Contact No.: 022-71881085.

* MOSL has been amalgamated with Motilal Oswal Financial Services Limited (MOFSL) w.e.f August 21, 2018 pursuant to order dated July 30, 2018 issued by Hon'ble National Company Law Tribunal, Mumbai Bench.