

# Colgate Palmolive (CLGT IN)

Rating: ACCUMULATE | CMP: Rs1,710 | TP: Rs1,846

July 29, 2021

## Q1FY22 Result Update

Change in Estimates |  Target |  Reco

### Change in Estimates

| Rating         | Current    |            | Previous |        |
|----------------|------------|------------|----------|--------|
|                | FY22E      | FY23E      | FY22E    | FY23E  |
| Target Price   | ACCUMULATE | ACCUMULATE | 1,846    | 1,794  |
| Sales (Rs. m)  | 53,498     | 58,340     | 53,090   | 57,895 |
| % Chng.        | 0.8        | 0.8        |          |        |
| EBITDA (Rs. m) | 16,580     | 18,259     | 16,183   | 17,788 |
| % Chng.        | 2.5        | 2.7        |          |        |
| EPS (Rs.)      | 42.0       | 46.2       | 40.9     | 44.8   |
| % Chng.        | 2.7        | 2.9        |          |        |

### Key Financials - Standalone

| Y/e Mar        | FY20   | FY21   | FY22E  | FY23E  |
|----------------|--------|--------|--------|--------|
| Sales (Rs. m)  | 45,251 | 48,413 | 53,498 | 58,340 |
| EBITDA (Rs. m) | 12,017 | 15,097 | 16,580 | 18,259 |
| Margin (%)     | 26.6   | 31.2   | 31.0   | 31.3   |
| PAT (Rs. m)    | 8,165  | 10,354 | 11,430 | 12,554 |
| EPS (Rs.)      | 30.0   | 38.1   | 42.0   | 46.2   |
| Gr. (%)        | 9.6    | 26.8   | 10.4   | 9.8    |
| DPS (Rs.)      | 36.0   | 38.0   | 37.0   | 40.0   |
| Yield (%)      | 2.1    | 2.2    | 2.2    | 2.3    |
| RoE (%)        | 53.7   | 75.0   | 82.2   | 74.3   |
| RoCE (%)       | 64.4   | 96.2   | 105.5  | 95.6   |
| EV/Sales (x)   | 10.2   | 9.4    | 8.5    | 7.8    |
| EV/EBITDA (x)  | 38.3   | 30.2   | 27.5   | 24.9   |
| PE (x)         | 56.9   | 44.9   | 40.7   | 37.0   |
| P/BV (x)       | 29.2   | 39.9   | 28.8   | 26.4   |

| Key Data            | COLG.BO   CLGT IN    |
|---------------------|----------------------|
| 52-W High / Low     | Rs.1,823 / Rs.1,322  |
| Sensex / Nifty      | 52,653 / 15,778      |
| Market Cap          | Rs.465bn / \$ 6,259m |
| Shares Outstanding  | 272m                 |
| 3M Avg. Daily Value | Rs.1941.73m          |

### Shareholding Pattern (%)

|                         |       |
|-------------------------|-------|
| Promoter's              | 51.00 |
| Foreign                 | 18.61 |
| Domestic Institution    | 8.21  |
| Public & Others         | 22.18 |
| Promoter Pledge (Rs bn) | -     |

### Stock Performance (%)

|          | 1M  | 6M    | 12M    |
|----------|-----|-------|--------|
| Absolute | 2.4 | 6.6   | 18.1   |
| Relative | 2.2 | (6.3) | (14.6) |

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## Premiumisation saves the day, Accumulate

### Quick Pointers:

- Estimated volume growth at 8%.
- 2-3% price increase taken from April21.
- Gross margins expand 300bps due premiumisation in toothpaste and lower sales of toothbrush.

**We are increasing EPS estimates by 2.7%/2.9% for FY22/FY23 on the back of 1) Superior gross margins due to increased premiumisation and lower sales of toothbrush 2) higher Category growth and salience for large packs 3) increased Ad spends (up 280bps YoY) and ramp up in innovations and 4) aggression in new segments which offer growth opportunity. 1Q nos were a mixed bag with disappointing volume growth of ~8% on a low base (-8%), whereas gross margin expansion led by superior mix was positive.**

**CLGT has intensified focus on accelerating growth led by 1) Ramping up innovations (launched Colgate Visible White Instant and Colgate Vedshakti Mouth spray & Oil pulling, Toothpaste for Diabetics) 2) mapping out SKU's to ensure better shelf availability 3) Normalizing Ad spends to improve brand recall 4) Undertaking initiatives to improve chemist channel distribution as the same remains under indexed and 5) Increased focus on Ecom and MT helping improve premium product mix. We estimate 9.8% Sales CAGR and 10.1% PAT CAGR over FY21-23. We value CLGT at 40x FY23EPS and assign a Target of Rs 1846 (Rs 1794 earlier). we believe acceleration in growth can improve valuations from 37xFY23 EPS given 85-90% payout and ROE and ROCE of 74% and 99%. Retain Accumulate.**

- Sales grew 12%, GRM's up 300bps%:** Net sales grew 12% to Rs 11.66bn (Est 12.17bn). Estimated volume growth at 8%. Gross margins up 300bps YoY and 147bps QoQ at 68.9% (Est 67.5%). EBIDTA up 15.3% to Rs 3.55bn (Est Rs 3.87bn), EBIDTA margins at 30.5% (Est 32%) expanded 90bps as 300bps GRM expansion was offset by 280bps increase in Ad spends. Ad-spend higher by 40.6% at Rs 1.6bn, remains 20bps lower than 1QFY20 levels. Adj. PAT rose 17.7% to Rs 2.33bn (Est. Rs 2.58bn).

### Key Highlights:

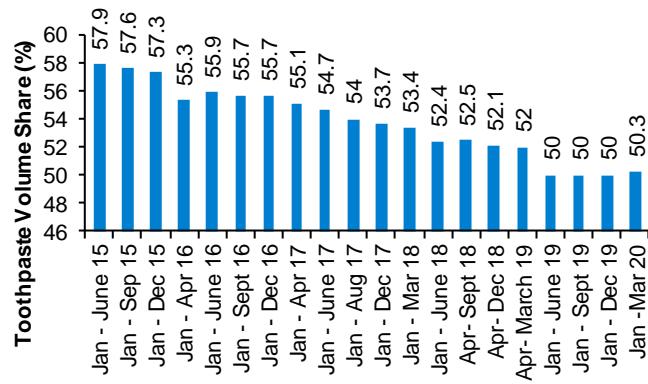
- Sales remained strong during the first two weeks of April'21 but were later impacted due to localized lockdown at a lower rate than first wave.
- Factories remained operational for majority of the second wave barring shutdown for 1-2 days.
- Category growth has picked up with Rural Outpacing Urban growth.
- Large packs sales increased during the quarter and mix has improved due to increased premiumization in toothpaste and lower sales of toothbrush which have helped expand gross margins.

## Exhibit 1: Q1FY22: Net sales up 12%, GRMs/EBITDA margins expand 300bps/90bps

| Particulars                | Q1FY22        | Q1FY21        | YoY gr. (%) | Q4FY21        | FY21          | FY20          | YoY gr. (%) |
|----------------------------|---------------|---------------|-------------|---------------|---------------|---------------|-------------|
| <b>Net Sales</b>           | <b>11,660</b> | <b>10,406</b> | <b>12.0</b> | <b>12,832</b> | <b>48,412</b> | <b>45,251</b> | <b>7.0</b>  |
| Gross Profit               | 8,062         | 6,883         | 17.1        | 8,683         | 32,919        | 29,522        | 11.5        |
| Margin %                   | 69.1          | 66.1          | 3.0         | 67.7          | 68.0          | 65.2          | 2.8         |
| Other Exp                  | 4510          | 3803          | 18.6        | 4466          | 17822         | 17505         | 1.8         |
| % of Net sales             | 38.7          | 36.5          |             | 34.8          | 36.8          | 38.7          |             |
| <b>EBITDA</b>              | <b>3,552</b>  | <b>3,080</b>  | <b>15.3</b> | <b>4,218</b>  | <b>15,096</b> | <b>12,017</b> | <b>25.6</b> |
| Margin %                   | 30.5          | 29.6          | 0.9         | 32.9          | 31.2          | 26.6          | 4.6         |
| Depreciation               | 447           | 454           | (1.5)       | 455           | 1825          | 1979          | (7.8)       |
| Interest                   | 15            | 20            |             | 16            | 73            | 96            |             |
| <b>PBT from operations</b> | <b>3090</b>   | <b>2606</b>   | <b>18.6</b> | <b>3747</b>   | <b>13199</b>  | <b>9941</b>   | <b>32.8</b> |
| Other Income               | 52            | 63            | (17.0)      | 66            | 304           | 492           | (38.4)      |
| <b>PBT</b>                 | <b>3,142</b>  | <b>2,669</b>  | <b>17.7</b> | <b>3,814</b>  | <b>13,502</b> | <b>10,434</b> | <b>29.4</b> |
| Tax                        | 810           | 687           | 17.8        | 982           | 3463          | 2579          | 34.3        |
| Tax rate %                 | 25.8          | 25.7          |             | 25.7          | 25.6          | 24.7          |             |
| <b>Adj. PAT</b>            | <b>2,332</b>  | <b>1,982</b>  | <b>17.7</b> | <b>2,832</b>  | <b>10,039</b> | <b>7,855</b>  | <b>27.8</b> |

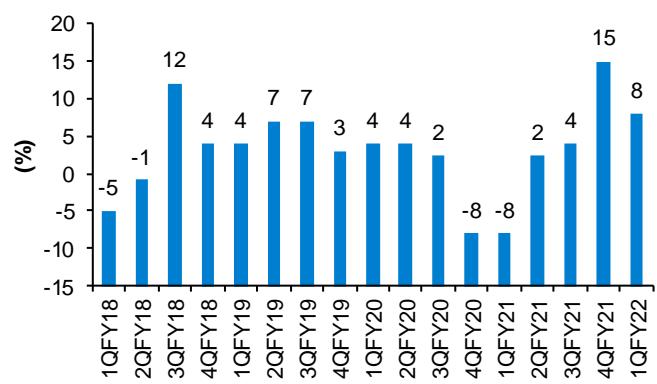
Source: Company, PL

## Exhibit 2: Market Share remained flat

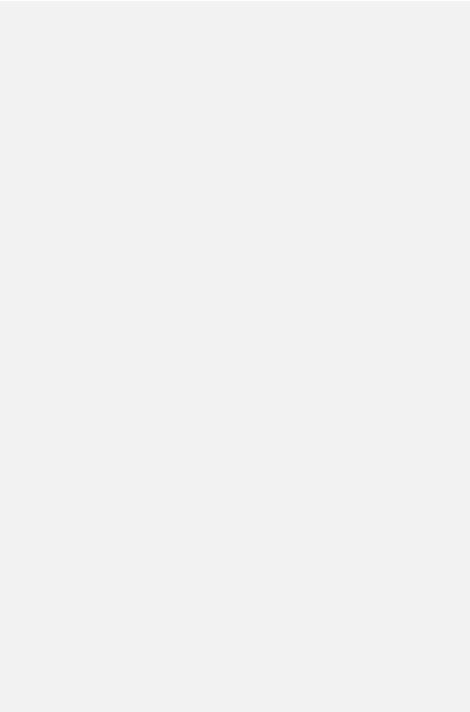


Source: Company, PL

## Exhibit 3: Overall volume growth estimated at 8%



Source: Company, PL



## Financials

### Income Statement (Rs m)

| Y/e Mar                       | FY20          | FY21          | FY22E         | FY23E         |
|-------------------------------|---------------|---------------|---------------|---------------|
| <b>Net Revenues</b>           | <b>45,251</b> | <b>48,413</b> | <b>53,498</b> | <b>58,340</b> |
| YoY gr. (%)                   | 1.4           | 7.0           | 10.5          | 9.1           |
| Cost of Goods Sold            | 15,729        | 15,494        | 16,976        | 18,448        |
| <b>Gross Profit</b>           | <b>29,522</b> | <b>32,919</b> | <b>36,521</b> | <b>39,891</b> |
| Margin (%)                    | 65.2          | 68.0          | 68.3          | 68.4          |
| Employee Cost                 | 3,323         | 3,656         | 3,985         | 4,347         |
| Other Expenses                | 3,689         | 3,934         | 4,425         | 4,769         |
| <b>EBITDA</b>                 | <b>12,017</b> | <b>15,097</b> | <b>16,580</b> | <b>18,259</b> |
| YoY gr. (%)                   | (2.8)         | 25.6          | 9.8           | 10.1          |
| Margin (%)                    | 26.6          | 31.2          | 31.0          | 31.3          |
| Depreciation and Amortization | 1,979         | 1,825         | 1,911         | 2,111         |
| <b>EBIT</b>                   | <b>10,037</b> | <b>13,272</b> | <b>14,669</b> | <b>16,148</b> |
| Margin (%)                    | 22.2          | 27.4          | 27.4          | 27.7          |
| Net Interest                  | 96            | 73            | 81            | 74            |
| Other Income                  | 492           | 304           | 492           | 509           |
| <b>Profit Before Tax</b>      | <b>10,434</b> | <b>13,503</b> | <b>15,079</b> | <b>16,583</b> |
| Margin (%)                    | 23.1          | 27.9          | 28.2          | 28.4          |
| Total Tax                     | 2,269         | 3,148         | 3,649         | 4,030         |
| Effective tax rate (%)        | 21.7          | 23.3          | 24.2          | 24.3          |
| <b>Profit after tax</b>       | <b>8,165</b>  | <b>10,354</b> | <b>11,430</b> | <b>12,554</b> |
| Minority interest             | -             | -             | -             | -             |
| Share Profit from Associate   | -             | -             | -             | -             |
| <b>Adjusted PAT</b>           | <b>8,165</b>  | <b>10,354</b> | <b>11,430</b> | <b>12,554</b> |
| YoY gr. (%)                   | 9.6           | 26.8          | 10.4          | 9.8           |
| Margin (%)                    | 18.0          | 21.4          | 21.4          | 21.5          |
| Extra Ord. Income / (Exp)     | -             | -             | -             | -             |
| <b>Reported PAT</b>           | <b>8,165</b>  | <b>10,354</b> | <b>11,430</b> | <b>12,554</b> |
| YoY gr. (%)                   | 5.3           | 26.8          | 10.4          | 9.8           |
| Margin (%)                    | 18.0          | 21.4          | 21.4          | 21.5          |
| Other Comprehensive Income    | -             | -             | -             | -             |
| Total Comprehensive Income    | 8,165         | 10,354        | 11,430        | 12,554        |
| <b>Equity Shares O/s (m)</b>  | <b>272</b>    | <b>272</b>    | <b>272</b>    | <b>272</b>    |
| <b>EPS (Rs)</b>               | <b>30.0</b>   | <b>38.1</b>   | <b>42.0</b>   | <b>46.2</b>   |

Source: Company Data, PL Research

### Balance Sheet Abstract (Rs m)

| Y/e Mar                               | FY20          | FY21          | FY22E         | FY23E         |
|---------------------------------------|---------------|---------------|---------------|---------------|
| <b>Non-Current Assets</b>             |               |               |               |               |
| <b>Gross Block</b>                    | <b>20,987</b> | <b>22,014</b> | <b>24,464</b> | <b>26,964</b> |
| Tangibles                             | 20,080        | 21,107        | 23,556        | 26,056        |
| Intangibles                           | 907           | 907           | 908           | 908           |
| <b>Acc: Dep / Amortization</b>        | <b>11,655</b> | <b>13,135</b> | <b>14,667</b> | <b>16,361</b> |
| Tangibles                             | 10,749        | 12,228        | 13,759        | 15,453        |
| Intangibles                           | 907           | 907           | 908           | 908           |
| <b>Net fixed assets</b>               | <b>9,332</b>  | <b>8,879</b>  | <b>9,797</b>  | <b>10,603</b> |
| Tangibles                             | 9,332         | 8,879         | 9,797         | 10,603        |
| Intangibles                           | -             | -             | -             | -             |
| Capital Work In Progress              | 1,900         | 1,449         | 1,500         | 1,500         |
| Goodwill                              | -             | -             | -             | -             |
| Non-Current Investments               | 383           | 386           | 396           | 406           |
| Net Deferred tax assets               | (50)          | 48            | 18            | (16)          |
| Other Non-Current Assets              | 4,304         | 4,453         | 4,505         | 4,407         |
| <b>Current Assets</b>                 |               |               |               |               |
| Investments                           | 3,596         | 2,545         | 2,657         | 3,188         |
| Inventories                           | 2,969         | 3,358         | 3,015         | 3,280         |
| Trade receivables                     | 1,326         | 1,171         | 1,892         | 2,223         |
| Cash & Bank Balance                   | 617           | 6,131         | 6,703         | 6,649         |
| Other Current Assets                  | 405           | 400           | 531           | 580           |
| <b>Total Assets</b>                   | <b>26,040</b> | <b>28,940</b> | <b>32,423</b> | <b>34,314</b> |
| <b>Equity</b>                         |               |               |               |               |
| Equity Share Capital                  | 272           | 272           | 272           | 272           |
| Other Equity                          | 15,670        | 11,387        | 15,879        | 17,363        |
| <b>Total Networth</b>                 | <b>15,942</b> | <b>11,659</b> | <b>16,151</b> | <b>17,635</b> |
| <b>Non-Current Liabilities</b>        |               |               |               |               |
| Long Term borrowings                  | -             | -             | -             | -             |
| Provisions                            | 488           | 311           | 339           | 283           |
| Other non current liabilities         | 845           | 779           | 745           | 688           |
| <b>Current Liabilities</b>            |               |               |               |               |
| ST Debt / Current of LT Debt          | -             | -             | -             | -             |
| Trade payables                        | 6,125         | 7,604         | 7,279         | 7,781         |
| Other current liabilities             | 2,578         | 8,575         | 7,896         | 7,899         |
| <b>Total Equity &amp; Liabilities</b> | <b>26,040</b> | <b>28,940</b> | <b>32,423</b> | <b>34,314</b> |

Source: Company Data, PL Research

**Cash Flow (Rs m)**

| Y/e Mar                               | FY20           | FY21            | FY22E          | FY23E           |
|---------------------------------------|----------------|-----------------|----------------|-----------------|
| PBT                                   | 10,434         | 13,503          | 15,079         | 16,583          |
| Add. Depreciation                     | 1,979          | 1,825           | 1,911          | 2,111           |
| Add. Interest                         | 96             | 73              | 81             | 74              |
| Less Financial Other Income           | 492            | 304             | 492            | 509             |
| Add. Other                            | -              | -               | -              | -               |
| Op. profit before WC changes          | 12,509         | 15,400          | 17,071         | 18,768          |
| Net Changes-WC                        | (1,800)        | 8,764           | (3,093)        | (888)           |
| Direct tax                            | (2,269)        | (3,148)         | (3,649)        | (4,030)         |
| <b>Net cash from Op. activities</b>   | <b>8,440</b>   | <b>21,016</b>   | <b>10,329</b>  | <b>13,851</b>   |
| Capital expenditures                  | (1,213)        | (792)           | (2,738)        | (2,762)         |
| Interest / Dividend Income            | -              | -               | -              | -               |
| Others                                | 125            | -               | -              | -               |
| <b>Net Cash from Invt. activities</b> | <b>(1,087)</b> | <b>(792)</b>    | <b>(2,738)</b> | <b>(2,762)</b>  |
| Issue of share cap. / premium         | (133)          | (5,390)         | 5,574          | 82              |
| Debt changes                          | (777)          | -               | -              | -               |
| Dividend paid                         | (6,558)        | (9,248)         | (12,511)       | (11,151)        |
| Interest paid                         | (96)           | (73)            | (81)           | (74)            |
| Others                                | -              | -               | -              | -               |
| <b>Net cash from Fin. activities</b>  | <b>(7,564)</b> | <b>(14,710)</b> | <b>(7,019)</b> | <b>(11,143)</b> |
| <b>Net change in cash</b>             | <b>(212)</b>   | <b>5,515</b>    | <b>572</b>     | <b>(55)</b>     |
| Free Cash Flow                        | 7,227          | 20,224          | 7,591          | 11,089          |

Source: Company Data, PL Research

**Key Financial Metrics**

| Y/e Mar                    | FY20  | FY21  | FY22E | FY23E |
|----------------------------|-------|-------|-------|-------|
| <b>Per Share(Rs)</b>       |       |       |       |       |
| EPS                        | 30.0  | 38.1  | 42.0  | 46.2  |
| CEPS                       | 37.3  | 44.8  | 49.1  | 53.9  |
| BVPS                       | 58.6  | 42.9  | 59.4  | 64.8  |
| FCF                        | 26.6  | 74.4  | 27.9  | 40.8  |
| DPS                        | 36.0  | 38.0  | 37.0  | 40.0  |
| <b>Return Ratio(%)</b>     |       |       |       |       |
| RoCE                       | 64.4  | 96.2  | 105.5 | 95.6  |
| ROIC                       | 69.0  | 198.6 | 244.6 | 173.2 |
| RoE                        | 53.7  | 75.0  | 82.2  | 74.3  |
| <b>Balance Sheet</b>       |       |       |       |       |
| Net Debt : Equity (x)      | (0.3) | (0.7) | (0.6) | (0.6) |
| Net Working Capital (Days) | (15)  | (23)  | (16)  | (14)  |
| <b>Valuation(x)</b>        |       |       |       |       |
| PER                        | 56.9  | 44.9  | 40.7  | 37.0  |
| P/B                        | 29.2  | 39.9  | 28.8  | 26.4  |
| P/CEPS                     | 45.8  | 38.2  | 34.9  | 31.7  |
| EV/EBITDA                  | 38.3  | 30.2  | 27.5  | 24.9  |
| EV/Sales                   | 10.2  | 9.4   | 8.5   | 7.8   |
| Dividend Yield (%)         | 2.1   | 2.2   | 2.2   | 2.3   |

Source: Company Data, PL Research

**Quarterly Financials (Rs m)**

| Y/e Mar                           | Q2FY21        | Q3FY21        | Q4FY21        | Q1FY22        |
|-----------------------------------|---------------|---------------|---------------|---------------|
| <b>Net Revenue</b>                | <b>12,855</b> | <b>12,319</b> | <b>12,832</b> | <b>11,660</b> |
| YoY gr. (%)                       | 5.2           | 7.4           | 19.8          | 12.0          |
| Raw Material Expenses             | 4,096         | 3,725         | 4,149         | 3,597         |
| Gross Profit                      | 8,759         | 8,594         | 8,683         | 8,062         |
| Margin (%)                        | 68.1          | 69.8          | 67.7          | 69.1          |
| <b>EBITDA</b>                     | <b>4,093</b>  | <b>3,706</b>  | <b>4,218</b>  | <b>3,552</b>  |
| YoY gr. (%)                       | 26.7          | 17.3          | 60.4          | 15.3          |
| Margin (%)                        | 31.8          | 30.1          | 32.9          | 30.5          |
| Depreciation / Depletion          | 461           | 456           | 455           | 447           |
| <b>EBIT</b>                       | <b>3,632</b>  | <b>3,251</b>  | <b>3,763</b>  | <b>3,105</b>  |
| Margin (%)                        | 28.3          | 26.4          | 29.3          | 26.6          |
| Net Interest                      | 18            | 19            | 16            | 15            |
| Other Income                      | 76            | 99            | 66            | 52            |
| <b>Profit before Tax</b>          | <b>3,689</b>  | <b>3,330</b>  | <b>3,814</b>  | <b>3,142</b>  |
| Margin (%)                        | 28.7          | 27.0          | 29.7          | 26.9          |
| Total Tax                         | 947           | 847           | 982           | 810           |
| Effective tax rate (%)            | 25.7          | 25.4          | 25.7          | 25.8          |
| <b>Profit after Tax</b>           | <b>2,742</b>  | <b>2,484</b>  | <b>2,832</b>  | <b>2,332</b>  |
| Minority interest                 | -             | -             | -             | -             |
| Share Profit from Associates      | -             | -             | -             | -             |
| <b>Adjusted PAT</b>               | <b>2,742</b>  | <b>2,484</b>  | <b>2,832</b>  | <b>2,332</b>  |
| YoY gr. (%)                       | 12.3          | 24.7          | 63.5          | 17.7          |
| Margin (%)                        | 21.3          | 20.2          | 22.1          | 20.0          |
| Extra Ord. Income / (Exp)         | -             | -             | 315           | -             |
| <b>Reported PAT</b>               | <b>2,742</b>  | <b>2,484</b>  | <b>3,147</b>  | <b>2,332</b>  |
| YoY gr. (%)                       | 12.3          | 24.7          | 54.1          | 17.7          |
| Margin (%)                        | 21.3          | 20.2          | 24.5          | 20.0          |
| Other Comprehensive Income        | -             | -             | -             | -             |
| <b>Total Comprehensive Income</b> | <b>2,742</b>  | <b>2,484</b>  | <b>3,147</b>  | <b>2,332</b>  |
| Avg. Shares O/s (m)               | 272           | 272           | 272           | 272           |
| <b>EPS (Rs)</b>                   | <b>10.1</b>   | <b>9.1</b>    | <b>10.4</b>   | <b>8.6</b>    |

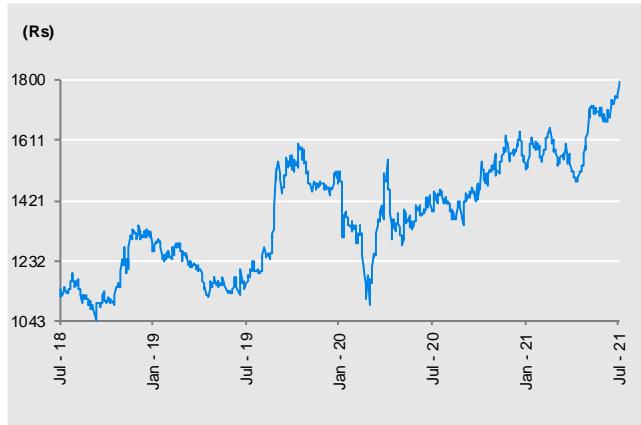
Source: Company Data, PL Research

**Key Operating Metrics**

| Y/e Mar         | FY20 | FY21 | FY22E | FY23E |
|-----------------|------|------|-------|-------|
| Volume Growth % | 0.6  | 3.0  | 7.0   | 6.0   |

Source: Company Data, PL Research

## Price Chart



## Recommendation History

| No. | Date      | Rating     | TP (Rs.) | Share Price (Rs.) |
|-----|-----------|------------|----------|-------------------|
| 1   | 05-Jul-21 | Accumulate | 1,794    | 1,690             |
| 2   | 17-May-21 | Accumulate | 1,794    | 1,597             |
| 3   | 07-Apr-21 | Hold       | 1,685    | 1,551             |
| 4   | 28-Jan-21 | Hold       | 1,651    | 1,564             |
| 5   | 07-Jan-21 | Hold       | 1,570    | 1,598             |
| 6   | 18-Dec-20 | Hold       | 1,600    | 1,570             |
| 7   | 21-Oct-20 | Hold       | 1,445    | 1,427             |
| 8   | 08-Oct-20 | Reduce     | 1,350    | 1,452             |

## Analyst Coverage Universe

| Sr. No. | Company Name                          | Rating     | TP (Rs) | Share Price (Rs) |
|---------|---------------------------------------|------------|---------|------------------|
| 1       | Asian Paints                          | BUY        | 3,511   | 3,159            |
| 2       | Avenue Supermarts                     | BUY        | 3,744   | 3,397            |
| 3       | Bajaj Electricals                     | Hold       | 1,084   | 1,050            |
| 4       | Britannia Industries                  | Accumulate | 3,755   | 3,545            |
| 5       | Burger King India                     | BUY        | 250     | 158              |
| 6       | Colgate Palmolive                     | Accumulate | 1,794   | 1,690            |
| 7       | Crompton Greaves Consumer Electricals | BUY        | 518     | 468              |
| 8       | Dabur India                           | UR         | -       | 590              |
| 9       | Emami                                 | BUY        | 579     | 564              |
| 10      | Havells India                         | Accumulate | 1,226   | 1,151            |
| 11      | Hindustan Unilever                    | Accumulate | 2,535   | 2,378            |
| 12      | ITC                                   | BUY        | 258     | 212              |
| 13      | Jubilant FoodWorks                    | Accumulate | 3,404   | 3,065            |
| 14      | Kansai Nerolac Paints                 | Accumulate | 620     | 587              |
| 15      | Marico                                | UR         | -       | 520              |
| 16      | Mold-tek Packaging                    | BUY        | 598     | 510              |
| 17      | Nestle India                          | Accumulate | 19,290  | 18,023           |
| 18      | Pidilite Industries                   | UR         | -       | 2,179            |
| 19      | Titan Company                         | Accumulate | 1,869   | 1,763            |
| 20      | Voltas                                | Hold       | 955     | 1,015            |
| 21      | Westlife Development                  | BUY        | 572     | 496              |

## PL's Recommendation Nomenclature (Absolute Performance)

|                   |                                   |
|-------------------|-----------------------------------|
| Buy               | : > 15%                           |
| Accumulate        | : 5% to 15%                       |
| Hold              | : +5% to -5%                      |
| Reduce            | : -5% to -15%                     |
| Sell              | : < -15%                          |
| Not Rated (NR)    | : No specific call on the stock   |
| Under Review (UR) | : Rating likely to change shortly |

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