Hindustan Unilever Limited

Q1FY27 Highlights

- Consolidated revenue grew 10% YoY to ₹17,149crs, supported by underlying volume growth of 5%.
- EBITDA grew by 8% YoY to ₹3,947crs. EBITDA Margin of 23.0% remained within the guided range amid a volatile operating environment.
- Profit After Tax before exceptional items grew 9% YoY to ₹2,731crs. Reported Profit After Tax at ₹2,680crs declined 2% YoY due to a one-off tax credit in JQ'25
- Despite recent input cost pressures arising from the West Asia conflict and elevated crude-linked commodity prices, management maintained its medium-term EBITDA margin guidance of around 23.5%
- Looking ahead, Hindustan Unilever remains well-positioned to navigate the volatile operating environment, supported by its strong brand portfolio, robust balance sheet, and operational agility. The company continues to focus on strengthening its consumer franchise while delivering sustainable and competitive growth.

Concall Highlights

- The company highlighted that **consumer demand has improved sequentially**. **Rural demand continues to outpace urban demand**, though urban consumption is also gradually recovering. Management expects demand to improve further as the benefits of a normal monsoon, easing inflation and supportive macro conditions flow through.
- Most of the revenue growth in the quarter was driven by **healthy underlying volume growth**, with selective pricing in categories facing commodity inflation
- **Home Care (38% of revenue; segmental margin 17.3%)**: Home Care grew 13.4%, driven by high-single-digit UVG. Disciplined market development and consumer-centric innovations enabled the highest growth in three years and strengthened market leadership, while maintaining volume resilience. Fabric Wash accelerated its performance, delivering double-digit USG, driven by high-single-digit UVG. Bars and powders sustained their step-up, while liquids further accelerated their double-digit growth trajectory. Household Care delivered double-digit USG and UVG. Vim Liquids continued to scale, with focused initiatives boosting penetration and delivering strong double-digit growth.
- **Beauty & Wellbeing (24% of revenue; segmental margin 28%):** Recorded 12% USG, driven by high-single-digit UVG. Hair Care achieved double-digit USG growth, driven by Premium Hair Care, including future formats, while the category continued to strengthen market leadership. Skin Care and Colour Cosmetics delivered high-single-digit USG, led by double-digit growth in Premium Skin Care. Minimalist delivered double-digit growth with sequential acceleration in momentum. During the quarter, Vaseline launched a Gluta Hya Smoothening Body Lotion to address evolving consumer needs.
- **Personal Care (15% of revenue; segmental margin ~20%):** Reported 4% USG led by pricing, as palm oil inflation persisted for the second consecutive year. Skin Cleansing posted mid-single-digit USG, led by Premium Bars delivering competitive double-digit, volume-led growth. Bodywash continued its double-digit growth momentum while improving market leadership. Oral Care reported mid-single-digit growth, with premium innovations in Closeup White Now, Pepsodent Gum Care and Sensitive Care continuing to gain traction. During the quarter, Lux launched a refreshed Bodywash proposition that combines superior skincare benefits with premium packaging.
- **Foods & Refreshment (20% of revenue; segmental margin ~20%):** Foods delivered 7% USG, driven by mid-single-digit UVG. Premium Tea reported low-single-digit UVG. Coffee delivered double-digit, volume-led growth, with RTD and Bru Gold continuing to scale up. Lifestyle Nutrition continued its double-digit growth momentum. Boost surpassed

Important Data

Nifty	24,250.20
Sensex	77,654.60
Close* (₹)	2,117.80
Market Cap (₹ crs)	4,98,113.35
52W High/Low	2682/2,019
BSE Code	500696
NSE Code	HINDUNILVR
Bloomberg Code	HUVR:IN

**Close as on 29th July 2026*

Shareholding Pattern (%) – Jun'26	
Promoter	61.9
FII	09.5
DII	16.9
Public & Others	11.6

Financials

(₹ crs)

Particulars	FY24	FY25	FY26
Revenues	61,896	62,175	63,636
YoY Growth	**2%**	**2.2%**	**5.3%**
EBITDA	14,659	14,851	15,054
EBITDA Margin	**24%**	**23.6%**	**23.4%**
Reported PAT	10,282	10,671	10,652
PAT Margin	**17%**	**16.9%**	**16.6%**
EPS	**43.8**	**45.4**	**45.3**

(₹ crs)

Particulars	FY27E	FY28E	FY29E
Revenues	70,786	77,440	84,719
YoY Growth	**9.8%**	**9.4%**	**9.4%**
EBITDA	16635	18353	20248
EBITDA Margin	**23.5%**	**23.7%**	**23.9%**
Reported PAT	11,396	12,836	13,887
PAT Margin	16.1%	16.6%	16.4%
EPS	**48.5**	**54.6**	**59.1**

Source: Company, Way2Wealth

Relative performance

Absolute Return (%)	1 Yr	3Yr	5 Yr
HUL	**9**	**13**	**7**
Nifty 50	-2	24	48
Sensex	-5	18	43

₹1,000crs annual turnover milestone3, while Horlicks Superfoods and RTD continued to see encouraging traction. Packaged Foods delivered high-single-digit USG, led by Unilever Foods Solutions, Mayonnaise, and International Sauces. During the quarter, the segment strengthened its premium portfolio, relaunching Bru Southern Trails Coffee and extending Red Label Instant Tea and Kissan Chutney range with new variants.

- Margins in the home care segment stood at 17.3% (220bps YoY), personal care stood at 19.7% (100bps YoY), Foods & Refreshments was 19.9% (120bps YoY), Beauty & Wellbeing was 27.6% (10bps YoY).
- Growth remains broad-based across General Trade, Modern Trade, Ecommerce and Quick Commerce.
- FY27 is expected to be better than FY26, supported by portfolio transformation, sharper resource allocation, and continued channel expansion.
- RM inflation across crude-linked inputs, palm oil and tea remains elevated, limiting near-term margin expansion and necessitating further calibrated pricing

Risk

- Slower recovery in demand
- Inflationary raw material prices

VIEW

Hindustan Unilever delivered a healthy Q1FY27 performance, reporting 10% YoY revenue growth and 5% underlying volume growth, supported by broad-based momentum across its portfolio. Management remains focused on driving competitive, volume-led growth while making calibrated pricing interventions to mitigate input cost inflation. The demand outlook remains encouraging, aided by a normal monsoon, easing inflation, and continued strength in rural consumption, with urban demand also showing gradual improvement.

The company continues to invest in long-term growth through innovation, premiumization, and capacity expansion, with planned capital expenditure of nearly ₹20bn focused on high-growth and premium categories. Its strong brand portfolio, category leadership, and extensive distribution network position it well to capitalize on the gradual recovery in domestic consumption.

At the current market price of **₹2,117.80**, it trades at approximately **44x FY27E EPS**. While Hindustan Unilever remains a high-quality player in the FMCG space with strong cash generation and consistent execution, we believe the current valuation adequately reflects its growth prospects. Accordingly, we maintain a **HOLD** rating on the stock. Fresh accumulation may be considered on meaningful price corrections.

Consolidated Financials

(₹ crs)

Particulars	Q1FY27	Q1FY26	VAR	Q4FY26	VAR	FY26
Sale of Products	17,149.0	15,552.0	10.3%	16,172.0	6.0%	63,636.0
Sale of Services	35.0	27.0		35.0		127.0
Other Operating Income	157.0	178.0	-11.8%	144.0	9.0%	705.0
	17,341.0	15,757.0	10.1%	16,351.0	6.1%	64,468.0
Other Income	188.0	201.0	-6.5%	264.0	-28.8%	751.0
TOTAL INCOME	**17,529.0**	**15,958.0**	**9.8%**	**16,615.0**	**5.5%**	**65,219.0**
Cost Of Materials Consumed	5,429.0	5,264.0	3.1%	5,205.0	4.3%	20,981.0
Purchase of stock in trade	3,321.0	2,738.0	21.3%	3,101.0	7.1%	11,113.0
Stock Adjustment	3.0	(173.0)	-101.7%	(175.0)	-101.7%	(429.0)
RMC as a %age of sales	*50.6%*	*49.8%*		*49.8%*		*49.2%*
Employee Benefit Expenses	769.0	689.0	11.6%	847.0	-9.2%	3,175.0
EPC as a %age of sales	*4.4%*	*4.4%*		*5.2%*		*4.9%*
Advertisement & Promotion	1,657.0	1,598.0	3.7%	1,509.0	9.8%	6,261.0
Advertisement Expenses as a %age of sales	*9.6%*	*10.2%*	*-0.6%*	*9.2%*		*9.7%*
Other Expenses	2,215.0	2,001.0	10.7%	2,023.0	9.5%	8,313.0
Other Expenses as a %age of sales	*12.8%*	*12.7%*		*12.4%*		*12.9%*
TOTAL EXPENDITURE	**13,394.0**	**12,117.0**	**10.5%**	**12,510.0**	**7.1%**	**49,414.0**
EBIDTA	**3,947.0**	**3,640.0**	**8.4%**	**3,841.0**	**2.8%**	**15,054.0**
EBITDA Margins %	***22.8%***	***23.1%***	***-0.3%***	***23.5%***		***23.4%***
Finance Costs	75.0	122.0	-38.5%	76.0	-1.3%	410.0
PBDT	**4,060.0**	**3,719.0**	**9.2%**	**4,029.0**	**0.8%**	**15,395.0**
Depreciation	353.0	326.0	8.3%	348.0	1.4%	1,333.0
PBT before exceptional items	**3,707.0**	**3,393.0**	**9.3%**	**3,681.0**	**0.7%**	**14,062.0**
Exceptional items	(75.0)	(125.0)	-40.0%	243.0	-130.9%	(235.0)
PBT	**3,632.0**	**3,268.0**	**11.1%**	**3,924.0**	**-7.4%**	**13,827.0**
Tax	952.0	526.0	81.0%	922.0	3.3%	3,160.0
Tax Rate	*26.2%*	*16.1%*		*23.5%*		*22.9%*
Reported Profit After Tax from Continuing Operations	**2,680.0**	**2,742.0**	**-2.3%**	**3,002.0**	**-10.7%**	**10,667.0**
PATM %	***15.5%***	***17.4%***		***18.4%***		***16.6%***
Profit/Loss from Discontinued Operation		26.0	-100.0%	(8.0)	-100.0%	(15.0)
Adjusted Profit After Extraordinary Item	**2,680.0**	**2,768.0**	**-3.2%**	**2,994.0**	**-10.5%**	**10,652.0**
Other Comprehensive Income				**235.0**		**4,407.0**
Total Comprehensive Income	**2,680.0**	**2,768.0**	**-3.2%**	**3,229.0**	**-17.0%**	**15,059.0**
EPS	**11.4**	**11.8**	**-3.2%**	**12.7**	**-10.5%**	**45.3**
Equity	235.0	235.0		235.0		235.0
Face Value	1.0	1.0		1.0		1.0

Source: Company, Way2Wealth

Segmental Performance

(₹ crs)

Particulars	Q1FY27	Q1FY26	VAR [%]	Q4FY26	VAR [%]	FY26
REVENUES						
Revenue from Operations	**17,341.0**	**15,757.0**	**10.1%**	**16,351.0**	**6.1%**	**64,468.0**
Home Care	6,554.0	5,777.0	13.45%	6,344.0	3.3%	23,672.0
Mix %	*37.8%*	*36.7%*		*38.8%*		*36.7%*
Personal Care	2,624.0	2,540.0	3.3%	2,229.0	17.7%	9,564.0
Mix %	*15.1%*	*16.1%*		*13.6%*		*14.8%*
Foods & Refreshments	3,480.0	3,259.0	6.8%	3,566.0	-2.4%	14,061.0
Mix %	*20.1%*	*20.7%*		*21.8%*		*21.8%*
Beauty & Wellbeing	4,083.0	3,631.0	12.4%	3,697.0	10.4%	14,990.0
Mix %	*23.5%*	*23.0%*		*22.6%*		*23.3%*
Others	600.0	550.0	9.1%	515.0	16.5%	2,181.0
Mix %	*9.2%*	*9.5%*		*8.1%*		*9.2%*
Net Revenue from Operations	**17,341.0**	**15,757.0**	**10.1%**	**16,351.0**	**6.1%**	**64,468.0**
Profit/Loss Before Interest and Tax	**3,594.0**	**3,314.0**	**8.4%**	**3,493.0**	**2.9%**	**13,721.0**
Margin %	***20.7%***	***21.0%***		***21.4%***		***21.3%***
Home Care	1,137.0	1,129.0	0.7%	1,209.0	-6.0%	4,521.0
Margin %	*17.3%*	*19.5%*	-2.2%	*19.1%*		*19.1%*
Personal Care	517.0	475.0	8.8%	417.0	24.0%	1,805.0
Margin %	*19.7%*	*18.7%*	1.0%	*18.7%*		*18.9%*
Foods & Refreshments	692.0	609.0	13.6%	721.0	-4.0%	2,824.0
Margin %	*19.9%*	*18.7%*	1.2%	*20.2%*		*20.1%*
Beauty & Wellbeing	1,126.0	999.0	12.7%	1,076.0	4.6%	4,161.0
Margin %	*27.6%*	*27.5%*	0.1%	*29.1%*		*27.8%*
Others	122.0	102.0	19.6%	70.0	74.3%	410.0
Margin %	*20.3%*	*18.5%*		*13.6%*		*18.8%*
Less: Interest	75.0	122.0	-38.5%	76.0	-1.3%	410.0
Other Un-allocable Expenditure				4.0		15.0
Add: Other Un-allocable Income	188.0	201.0	-6.5%	264.0	-28.8%	751.0
Extraordinary Income/Expense	(75.0)	(125.0)		247.0		(235.0)
Net Profit/Loss Before Tax	**3,632.0**	**3,268.0**	**11.1%**	**3,924.0**	**-7.4%**	**13,812.0**

Source: Company, Way2Wealth

Coverage

Date	Coverage	Report Price (₹)	Buy Range (₹)	Target Price (₹)
24-July-23	Quick Insight	2,604.0	2620 – 2670	3060 – 3080
23-Oct-23	Q2FY24	2,495.0		
26-Apr-24	Q4FY24	2,231.0		
25-July-24	Q1FY25	2,717.0		
25-Oct-24	Q2FY25	2,503.0		
28-Jan-25	Q3FY25	2,392.0		
25-Apr-25	Q4FY25	2,325.0		
04-Aug-25	Q1FY26	2,553.7		
16-Feb-26	Q3FY26	2,409.7		
12-May-26	Q4FY26	2,307.2		

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Disclosure of Interest Statement: HINDUSTAN UNILEVER LTD as on 30 July 2026

Name of the Security	HINDUSTAN UNILEVER LTD
Name of the analyst	Ashwini Sonawane
Analysts' ownership of any stock related to the information contained Financial Interest Analyst : Analyst's Relative : Yes / No Analyst's Associate/Firm : Yes/No	NIL No No No
Conflict of Interest	No
Receipt of Compensation	No
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