

Published Date:	1 May 2026	Publication:	The Economic Times [Mumbai]
Journalist:	Bureau	Page No:	1

**CONSUMER SENTIMENT BOOST**

# Forward March Qtr: HUL Growth Fastest in 3 Years

Co signals fresh price hikes as war triggers surge in commodity costs

**Our Bureau**

**Mumbai:** Hindustan Unilever Limited (HUL) warned of fresh price increases resulting from surging crude oil-linked commodity costs triggered by the Iran war, even as stable consumer demand helped India's largest consumer goods maker post its fastest growth in three years in the March quarter.

The maker of Surf Excel and Dove, whose performance is considered a proxy for broader consumer sentiment in India, on Thursday reported a 7% year-on-year sales growth in the January-March period to ₹16,207 crore. Volume, a measure of the quantity of products consumers bought, increased 6%. Profit after tax before exceptional items rose 4% to ₹271 crore.

Priya Nair, managing director at HUL, said demand trends remained stable with an increasing trend in the quarter, driven by fiscal and monetary support measures, benign inflation and improving rural indicators.

"We are now seeing a sequential step-up in terms of our growth. This is really because of the measures we have taken. There are two factors—one is having fiscal monetary measures, which have overall led to better consumer demand, and... doubling down on the moves we have made," said Nair.

She said growth during the fo-



urth quarter of 2025-26 was driven by sharper allocation of resources behind a few large priorities, modernising brands with more premium and niche offerings, and strengthening omnichannel capabilities across quick commerce, e-commerce and general trade.

HUL has committed Rs 2,000 crore in capital expenditure to premium formats and has reorganised operations under a unified India structure to speed up decision-making.

Earnings before interest, taxes, depreciation and amortisation increased 6% from a year earlier.

**Pricing Pressure ►► 12**

Published Date:	1 May 2026	Publication:	The Economic Times [Mumbai]
Journalist:	Bureau	Page No:	12

## Pricing Pressure

### ►► From Page 1

Margin fell 50 basis points to 23.7%, still at the upper end of the company's guidance band. A basis point is a hundredth of a percentage point. "We are not building HUL for one quarter," Nair said. "We have the resilience to navigate the short-term volatility while continuing to stay hyper-focused on long-term value creation opportunities."

The performance comes as the consumer goods sector hopes for a gradual recovery in urban and rural spending after more than two years of sluggish demand. The company, however, warned that rising crude and palm oil prices could squeeze margins and force calibrated price increases in the coming quarters.

"The Middle East situation has disrupted the global crude supplies, which is driving the inflation in crude and crude-linked commodities," said Niranjan Gupta, chief financial officer at HUL. "We are taking calibrated pricing action in the range of 2-5%."

HUL shares fell 2.7% to ₹2,250.6 apiece on the BSE, underperforming the benchmark index which ended the session about 0.7% down.

### INDUSTRY-WIDE TREND

The pressure also mirrors a broader industry trend, with peers including Britannia Industries, Nestlé India and Godrej Consumer Products also relying on price hikes to protect margins amid increasing input costs.

Commodity inflation was in the range of 8-10% while price increases taken so far remained lower, with the balance being absorbed through cost savings, media optimisation, overhead rationalisation and supply chain efficiencies, HUL said.

"We expect some recalibration between volume and price, but our focus is to continue to stay focused on consumers," Gupta said.

Despite concerns about a possible weak monsoon due to El Niño conditions, the company said higher reservoir levels, increased minimum support prices for crops and resilient rural conditions would reduce the risk to consumption. "At this point in time, we see balancing factors, and we don't see a cause to worry about the demand moving forward as of now," Gupta added.

