

May 02, 2023



Hindustan Unilever Limited

Current Price: ₹ 2454.40

STOCK DATA

BSE Code	500696
NSE Symbol	HINDUNILVR
Reuters	HLL.BO
Bloomberg	HUVR IN

VALUE PARAMETERS

52 W H/L(Rs)	2741.00/2100.00
Mkt. Cap.(Rs Cr)	576683.69
Latest Equity(Subscribed)	234.96
Latest Reserve (cons.)	50071.00
Latest EPS (cons.) -Unit Curr.	43.28
Latest P/E Ratio -cons	56.71
Latest Bookvalue (cons.) -Unit Curr.	214.11
Latest P/BV - cons	11.46
Dividend Yield -%	1.59
Face Value	1.00

SHARE HOLDING PATTERN (%)

Description as on	% of Holding 31/03/2023
Foreign	14.98
Institutions	11.58
Non Promoter Corp. Hold.	0.34
Promoters	61.9
Public & Others	11.2

Consolidated Results

Particulars	In Cr.		
	Qtr Ending Mar. 23	Qtr Ending Mar. 22	Var. (%)
Net Sales (including other operating income)	15,215.00	13,767.00	11
OPM (%)	23.48	23.98	-49 bps
OP	3,573.00	3,301.00	8
Other Inc.	160.00	79.00	103
PBIDT	3,733.00	3,380.00	10
Interest	29.00	38.00	-24
PBDT	3,704.00	3,342.00	11
Depreciation	291.00	278.00	5
PBT	3,413.00	3,064.00	11
EO Income	80.00	55.00	45
PBT after EO	3,493.00	3,119.00	12
Taxation	891.00	814.00	9
PAT	2,602.00	2,305.00	13
Minority Interest (MI)	1.00	3.00	-67
Net profit	2,601.00	2,302.00	13
P/(L) from discontinued operations net of tax	-1.00	2.00	PL
Net profit after discontinued operations	2,600.00	2,304.00	13
EPS	10.81	9.62	-

Hindustan Unilever Q4FY23 Results: Sales up 15.51% YoY, with underlying Volume Growth of 5% in FY23, in line with estimates

For the quarter ending March 2023, consolidated Net sales (including other operating income) of Hindustan Unilever has increased 10.52% to Rs 15215 crore compared to quarter ended Mar 2022. Sales of Home Care segment has gone up 18.85% to Rs 5,637.00 crore (accounting for 37.05% of total sales). Sales of Personal Care segment has gone up 10.84% to Rs 5,257.00 crore (accounting for 34.55% of total sales). Sales of Foods segment rose 2.60% to Rs 3,794.00 crore (accounting for 24.94% of total sales). Sales of Others segment has gone down 9.61% to Rs 527.00 crore (accounting for 3.46% of total sales).

Profit before interest, tax and other unallocable items (PBIT) has jumped 8.60% to Rs 3,283.00 crore. PBIT of Home Care segment rose 15.02% to Rs 1,072.00 crore (accounting for 32.65% of total PBIT). PBIT of Personal Care segment rose 9.03% to Rs 1,365.00 crore (accounting for 41.58% of total PBIT). PBIT of Foods segment fell 4.77% to Rs 679.00 crore (accounting for 20.68% of total PBIT) PBIT of Others segment rose 32.54% to Rs 167.00 crore (accounting for 5.09% of total PBIT).

PBIT margin of Home Care segment fell from 19.65% to 19.02%. PBIT margin of Personal Care segment fell from 26.40% to 25.97%. PBIT margin of Foods segment fell from 19.28% to 17.90%. PBIT margin of Others segment rose from 21.61% to 31.69%. Overall PBIT margin fell from 21.96% to 21.58%.

Operating profit margin has declined from 23.98% to 23.48%, leading to 8.24% rise in operating profit to Rs 3,573.00 crore. Raw material cost as a % of total sales (net of stock

Segment Quarter ended	In Cr.			
	Qtr Ending Mar 23	Qtr Ending Mar 22	Var. (%)	% of (Total)
Sales				
Home Care	5,637.00	4,743.00	19	37
Personal Care	5,257.00	4,743.00	11	35
Foods	3,794.00	3,698.00	3	25
Others	527	583	-10	3
Total Reported Sales	15,215.00	13,767.00	11	100
Less: Inter segment revenues	0	0	-	
Net Sales	15,215.00	13,767.00	11	100
PBIT				
Home Care	1,072.00	932	15	33
Personal Care	1,365.00	1,252.00	9	42
Foods	679	713	-5	21
Others	167	126	33	5
Total PBIT	3,283.00	3,023.00	9	100
Less : Interest	29	38	-24	-
Add: Other un-allcoable	239	134	78	-
PBIT Margin(%)				
Home Care	19.02	19.65	-63.28bps	-
Personal Care	25.97	26.4	-43.14bps	-
Foods	17.9	19.28	-138.4bps	-
Others	31.69	21.61	1007.65bps	-
PBT	3,493.00	3,119.00	12	100

adjustments) decreased from 32.58% to 32.35%. Purchase of finished goods cost rose from 18.13% to 18.43%. Employee cost increased from 4.19% to 4.86%. Other expenses fell from 21.21% to 20.81%. Selling and administration expenses fell from 9.38% to 8.64%.

Other income rose 102.53% to Rs 160 crore. PBIDT rose 10.44% to Rs 3733 crore. Provision for interest fell 23.68% to Rs 29 crore. Loan funds rose to Rs 1,219.00 crore as of 31 March 2023 from Rs 1,043.00 crore as of 31 March 2022. Inventories rose to Rs 4,251.00 crore as of 31 March 2023 from Rs 4,096.00 crore as of 31 March 2022. Sundry debtors were higher at Rs 3,079.00 crore as of 31 March 2023 compared to Rs 2,236.00 crore as of 31 March 2022. Cash and bank balance rose to Rs 4,678.00 crore as of 31 March 2023 from Rs 3,846.00 crore as of 31 March 2022. Investments declined from Rs 3,521.00 crore as of 31 March 2022 to Rs 2,813.00 crore as of 31 March 2023.

PBDT rose 10.83% to Rs 3704 crore. Provision for depreciation rose 4.68% to Rs 291 crore. Fixed assets increased to Rs 36,413.00 crore as of 31 March 2023 from Rs 35,389.00 crore as of 31 March 2022. Intangible assets increased from Rs 17,397.00 crore to Rs 17,466.00 crore.

Profit before tax grew 11.39% to Rs 3,413.00 crore. Share of profit/loss were nil in both the periods. Extraordinary items were increased to Rs 80.00 crore. Provision for tax was expense of Rs 891 crore, compared to Rs 814 crore. Effective tax rate was 25.51% compared to 26.10%.

Minority interest decreased 66.67% to Rs 1.00 crore. Net profit attributable to owners of the company increased 12.99% to Rs 2,601.00 crore. Loss from discontinued operations was Rs 1

crore compared to profit of Rs 2 crore. Net profit after discontinued operations increased 12.85% to Rs 2600 crore.

Full year results analysis.

Net sales (including other operating income) of Hindustan Unilever has increased 15.51% to Rs 60580 crore. Sales of Home Care segment has gone up 28.08% to Rs 21,223.00 crore (accounting for 35.03% of total sales). Sales of Beauty & Personal Care segment has gone up 12.55% to Rs 22,022.00 crore (accounting for 36.35% of total sales). Sales of Foods & Refreshment segment rose 5.47% to Rs 14,876.00 crore (accounting for 24.56% of total sales). Sales of Others segment has gone up 11.57% to Rs 2,459.00 crore (accounting for 4.06% of total sales).

Profit before interest, tax and other unallocable items (PBIT) has jumped 10.59% to Rs 13,012.00 crore. PBIT of Home Care segment rose 22.93% to Rs 3,913.00 crore (accounting for 30.07% of total PBIT). PBIT of Beauty & Personal Care segment rose 4.73% to Rs 5,647.00 crore (accounting for 43.40% of total PBIT). PBIT of Foods & Refreshment segment rose 1.49% to Rs 2,662.00 crore (accounting for 20.46% of total PBIT). PBIT of Others segment rose 39.08% to Rs 790.00 crore (accounting for 6.07% of total PBIT).

PBIT margin of Home Care segment fell from 19.21% to 18.44%. PBIT margin of Beauty & Personal Care segment fell from 27.56% to 25.64%. PBIT margin of Foods & Refreshment segment fell from 18.60% to 17.89%. PBIT margin of Others segment rose from 25.77% to 32.13%. Overall PBIT margin fell from 22.43% to 21.48%.

Operating profit margin has declined from 24.51% to 23.35%, leading to 10.04% rise in operating profit to Rs 14,148.00 crore. Raw material cost as a % of total sales (net of stock adjustments) increased from 31.34% to 33.32%. Purchase of finished goods cost rose from 17.75% to 19.09%. Employee cost decreased from 4.85% to 4.71%. Other expenses fell from 21.55% to 19.56%. Selling and administration expenses fell from 9.04% to 8.09%.

Other income rose 98.45% to Rs 512 crore. PBDIT rose 11.78% to Rs 14660 crore. Provision for interest rose 7.55% to Rs 114 crore. Loan funds rose to Rs 1,219.00 crore as of 31 March 2023 from Rs 1,043.00 crore as of 31 March 2022. Inventories rose to Rs 4,251.00 crore as of 31 March 2023 from Rs 4,096.00 crore as of 31 March 2022. Sundry debtors were higher at Rs 3,079.00 crore as of 31 March 2023 compared to Rs 2,236.00 crore as of 31 March 2022. Cash and bank balance rose to Rs 4,678.00 crore as of 31 March 2023 from Rs 3,846.00 crore as of 31 March 2022. Investments declined from Rs 3,521.00 crore as of 31 March 2022 to Rs 2,813.00 crore as of 31 March 2023.

PBDT rose 11.81% to Rs 14546 crore. Provision for depreciation rose 4.22% to Rs 1137 crore. Fixed assets increased to Rs 36,413.00 crore as of 31 March 2023 from Rs 35,389.00 crore as of 31 March 2022. Intangible assets increased from Rs 17,397.00 crore to Rs 17,466.00 crore.

Profit before tax grew 12.51% to Rs 13,409.00 crore. Share of profit/loss were nil in both the periods. Extraordinary items were decreased to Rs -64.00 crore. Provision for tax was expense of Rs 3201 crore, compared to Rs 2987 crore. Effective tax rate was 23.99% compared to 25.16%.

Minority interest increased 76.92% to Rs 23.00 crore. Net profit attributable to owners of the company increased 14.05% to Rs 10,121.00 crore. Loss from discontinued operations was Rs 1 crore compared to profit of Rs 5 crore. Net profit after discontinued operations increased 13.98% to Rs 10,120 crore.

Other Highlights

- Board recommended a final dividend of Rs 22 per share, for the financial year ended 31 March 2023. Together with the interim dividend of Rs 17 per share paid on 21 November 2022, the total dividend for the financial year ended 31 March 2023 amounts to Rs 39 per share.
- The company acquired 51 % shareholding (fully diluted basis) of Zywie Ventures as of 10th January 2023 and 51 % shareholding (fully diluted basis) of Zywie Ventures as of 10th January 2023.
- In FY23, revenue grew 16% with underlying Volume Growth of 5% on YoY basis.
- In FY23, home care segment delivered 28% YoY revenue growth, its volumes grew close to double-digits. Home Care liquids has crossed Rs 3000 crore turnover led by effective market development actions.
- In FY23, Beauty and Personal Care segment revenue grew 12% YoY. Its volumes grew in low single digit despite decline in market volumes. Lux & Ponds crossed Rs 2000 crore turnover each.
- In FY23, Foods & Refreshment segment revenue grew 5% YoY led by ice Cream, Coffee and Foods. Its volumes grew low single digit.

Management Comments :

Sanjiv Mehta, CEO and Managing Director commented: 'In challenging circumstances of geopolitical uncertainties, high commodity inflation and tepid market growths, I am pleased that we have delivered yet another year of strong and resilient performance. We have added Rs. 8000 Crores to our topline in this fiscal with volume growth in mid-single digits despite decline in FMCG market volumes. We continue to make steady progress in future-proofing our business through portfolio transformation and building distinctive capabilities. Looking forward, the near-term operating environment is likely to remain volatile. With inflation easing due to lapping of high base and sequential softening in a few commodities, price and volume growths will rebalance. Market volumes will recover gradually as consumption habits readjust. We remain focused on managing our business with agility and growing our consumer franchise whilst maintaining margins in a healthy range. We stay confident of the medium to long term potential of Indian FMCG sector and HUL's ability to deliver a Consistent, Competitive, Profitable and Responsible growth.'

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