

April 25, 2024



Hindustan Unilever Limited

Current Price: ₹ 2259.15

STOCK DATA

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

VALUE PARAMETERS

52 W H/L(Rs)	2768.50/2170.25
Mkt. Cap.(Rs Cr)	530807.94
Latest Equity(Subscribed)	234.96
Latest Reserve (cons.)	50129.00
Latest EPS (cons.) -Unit Curr.	43.72
Latest P/E Ratio -cons	51.67
Latest Bookvalue (cons.)-Unit Curr.	214.35
Latest P/BV - cons	10.54
Dividend Yield -%	1.86
Face Value	1.00

SHARE HOLDING PATTERN (%)

Description as on	% of Holding 31/03/2024
Foreign	13.33
Institutions	13.27
Non Promoter Corp. Hold.	0.37
Promoters	61.90
Public & Others	11.14

Consolidated Financial Results

In Cr.

	Qtr Ended Mar. 24	Qtr Ended Mar. 23	Var. (%)
Net Sales (including other operating income)	15,210.00	15,215.00	0
OPM (%)	23.24	23.48	-24 bps
OP	3,535.00	3,573.00	-1
Other Inc.	231.00	160.00	44
PBIDT	3,766.00	3,733.00	1
Interest	105.00	29.00	262
PBDT	3,661.00	3,704.00	-1
Depreciation	320.00	291.00	10
PBT	3,341.00	3,413.00	-2
Share of Profit/(Loss) from Associates	0.00	-1.00	-
PBT before EO	3,341.00	3,412.00	-2
EO Income	78.00	80.00	-3
PBT after EO	3,419.00	3,492.00	-2
Taxation	858.00	891.00	-4
PAT	2,561.00	2,601.00	-2
Minority Interest (MI)	3.00	1.00	
Net profit	2,558.00	2,600.00	-2
EPS (Rs)*	10.64	10.81	

Net profit flat at Rs 2,558 crore, revenue falls marginally, misses estimates

For the quarter ending March 2024, consolidated Net sales (including other operating income) of Hindustan Unilever has declined 0.03% to Rs 15210 crore compared to quarter ended March 2023. Sales of Home Care segment has gone up 1.28% to Rs 5,709.00 crore (accounting for 37.53% of total sales). Sales of Personal Care segment has gone down 2.51% to Rs 5,125.00 crore (accounting for 33.69% of total sales). Sales of Foods segment rose 3.06% to Rs 3,910.00 crore (accounting for 25.71% of total sales). Sales of Others segment has gone down 11.57% to Rs 466.00 crore (accounting for 3.06% of total sales). Profit before interest, tax and other unallocable items (PBIT) has slumped 2.07% to Rs 3,215.00 crore. PBIT of Home Care segment rose 3.64% to Rs 1,111.00 crore (accounting for 34.56% of total PBIT). PBIT of Personal Care segment fell 5.42% to Rs 1,291.00 crore (accounting for 40.16% of total PBIT). PBIT of Foods segment rose 8.84% to Rs 739.00 crore (accounting for 22.99% of total PBIT). PBIT of Others segment fell 55.69% to Rs 74.00 crore (accounting for 2.30% of total PBIT).

PBIT margin of Home Care segment rose from 19.02% to 19.46%. PBIT margin of Personal Care segment fell from 25.97% to 25.19%. PBIT margin of Foods segment rose from 17.90% to 18.90%. PBIT margin of Others segment fell from 31.69% to 15.88%. Overall PBIT margin fell from 21.58% to 21.14%.

Operating profit margin has declined from 23.48% to 23.24%, leading to 1.06% decline in operating profit to Rs 3,535.00 crore. Raw material cost as a % of total sales (net of stock adjustments) decreased from 32.35% to 30.47%. Purchase of finished goods cost fell from 18.43% to 16.97%. Employee cost increased from 4.86% to 5.50%. Other expenses rose from 20.81% to 23.70%. Selling and administration expenses rose from 8.64% to 10.68%.

Other income rose 44.38% to Rs 231 crore. PBIDT rose 0.88% to Rs 3766 crore. Provision for interest rose 262.07% to Rs 105 crore. Loan funds rose to Rs 1,484.00 crore as of 31 March 2024 from Rs 1,219.00 crore as of 31 March 2023. Inventories declined from Rs 4,251.00 crore as of 31 March 2023 to Rs 4,022.00 crore as of 31 March 2024. Sundry debtors were lower at Rs 2,997.00 crore as of 31 March 2024 compared to Rs 3,079.00 crore as of 31 March 2023. Cash and bank balance rose to Rs 7,559.00 crore as of 31 March 2024 from Rs 4,678.00 crore as of 31 March 2023. Investments rose to Rs 4,625.00 crore as of 31 March 2024 from Rs 2,882.00 crore as of 31 March 2023 .

PBDT fell 1.16% to Rs 3661 crore. Provision for depreciation rose 9.97% to Rs 320 crore. Fixed assets increased to Rs 37,303.00 crore as of 31 March 2024 from Rs 36,344.00 crore as of 31 March 2023. Intangible assets stood at Rs 17,466.00 crore. Profit before tax down 2.11% to Rs 3,341.00 crore. Share of profit/loss were nil in both the periods. Extraordinary items were decreased to Rs 78.00 crore. Provision for tax was expense of Rs 858 crore, compared to Rs 891 crore. Effective tax rate was 25.10% compared to 25.52%. Minority interest increased 200% to Rs 3.00 crore. Net profit attributable to owners of the company decreased 1.62% to Rs 2,558.00 crore.

Full year results analysis.

Net sales (including other operating income) of Hindustan Unilever has increased 2.17% to Rs 61896 crore. Sales of Home Care segment has gone up 3.11% to Rs 21,882.00 crore (accounting for 35.35% of total sales). Sales of Personal Care segment has gone up 1.93% to Rs 22,448.00 crore (accounting for 36.27% of total sales). Sales of Foods segment rose 2.79% to Rs 15,291.00 crore (accounting for 24.70% of total sales). Sales of Others segment has gone down 7.48% to Rs 2,275.00 crore (accounting for 3.68% of total sales).

Profit before interest, tax and other unallocable items (PBIT) has jumped 3.34% to Rs 13,447.00 crore. PBIT of Home Care segment rose 5.47% to Rs 4,127.00 crore (accounting for 30.69% of total PBIT). PBIT of Personal Care segment rose 2.89% to Rs 5,810.00 crore (accounting for 43.21% of total PBIT). PBIT of Foods segment rose 7.10% to Rs 2,851.00 crore (accounting for 21.20% of total PBIT). PBIT of Others segment fell 16.58% to Rs 659.00 crore (accounting for 4.90% of total PBIT).

PBIT margin of Home Care segment rose from 18.44% to 18.86%. PBIT margin of Personal Care segment rose from 25.64% to 25.88%. PBIT margin of Foods segment rose from 17.89% to 18.64%. PBIT margin of Others segment fell from 32.13% to 28.97%. Overall PBIT margin rose from 21.48% to 21.73%.

Operating profit margin has jumped from 23.35% to 23.69%, leading to 3.64% rise in operating profit to Rs 14,663.00 crore. Raw material cost as a % of total sales (net of stock adjustments) decreased from 33.32% to 31.11%. Purchase of finished goods cost fell from 19.09% to 16.98%. Employee cost increased from 4.71% to 4.86%. Other expenses rose from 19.56% to 23.36%. Selling and administration expenses rose from 8.09% to 10.48%.

Other income rose 58.40% to Rs 811 crore. PBIDT rose 5.55% to Rs 15474 crore. Provision for interest rose 192.98% to Rs 334 crore. Loan funds rose to Rs 1,484.00 crore as of 31 March 2024 from Rs 1,219.00 crore as of 31 March 2023. Inventories declined from Rs 4,251.00 crore as of 31 March 2023 to Rs 4,022.00 crore as of 31 March 2024. Sundry debtors were lower at Rs 2,997.00 crore as of 31 March 2024 compared to Rs 3,079.00 crore as of 31 March 2023. Cash and bank balance rose to Rs 7,559.00 crore as of 31 March 2024 from Rs 4,678.00 crore as of 31 March 2023. Investments rose to Rs 4,625.00 crore as of 31 March 2024 from Rs 2,882.00 crore as of 31 March 2023 .

PBDT rose 4.08% to Rs 15140 crore. Provision for depreciation rose 6.95% to Rs 1216 crore.

Fixed assets increased to Rs 37,303.00 crore as of 31 March 2024 from Rs 36,344.00 crore as of 31 March 2023. Intangible assets stood at Rs 17,466.00 crore. Profit before tax grew 3.84% to Rs 13,924.00 crore. Share of profit/loss was 300% lower at Rs -4 crore. Provision for tax was expense of Rs 3644 crore, compared to Rs 3201 crore. Effective tax rate was 26.17% compared to 23.99%. Minority interest decreased 78.26% to Rs 5.00 crore. Net profit attributable to owners of the company increased 1.55% to Rs 10,277.00 crore.

Other Highlights

- Board recommended a final dividend of Rs 24 for the financial year ended 31 March 2024 on Equity Shares of Re 1 each. Together with the interim dividend of Rs 18 per share paid on 16 November 2023, the total dividend for the financial year ended 31 March 2024 amounts to Rs 42 per share.
- In Q4 FY24, company delivered volume growth of 2% YoY.

Management Comments :

Rohit Jawa, CEO and Managing Director commented: "In FY'24 we delivered a resilient performance with 3% USG and crossed Rs. 10,000 crores Net Profit mark. We remain focused on driving operational excellence and have continued to build back our gross margins whilst stepping up investment in brands and long-term capabilities. Looking forward, I am optimistic of consumer demand gradually improving due to a normal monsoon and better macro-economic indicators. With rising affluence, under-indexed FMCG consumption and a strong digital infrastructure, I remain very confident of the medium to long-term potential of Indian FMCG sector. To serve the evolving aspirations of Indian consumers, we have embarked on a journey of `Transform to Outperform`. Our key thrusts of Growing our Core through Unmissable Brand Superiority, Market making and Premiumisation, Re-shaping our portfolio to high growth spaces and Leadership in Channels of future, backed by our distinctive capabilities will enable us to continue winning in the Indian FMCG sector."

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