

February 03, 2023



Current Price: ₹ 4575.70

STOCK DATA

BSE Code	500825
NSE Symbol	BRITANNIA
Reuters	BRIT.BO
Bloomberg	BRIT IN

VALUE PARAMETERS

52 W H/L(Rs)	4596.65/3050.00
Mkt. Cap.(Rs Cr)	110214.11
Latest Equity(Subscribed)	24.09
Latest Reserve (cons.)	2016.65
Latest EPS (cons.) -Unit Curr.	76.33
Latest P/E Ratio -cons	59.95
Latest Bookvalue (cons.) -Unit Curr.	84.72
Latest P/BV - cons	54.01
Dividend Yield -%	1.23
Face Value	1.00

SHARE HOLDING PATTERN (%)

Description as on	% of Holding 31/12/2022
Foreign	19.81
Institutions	15.21
Non Promoter Corp. Hold.	0.43
Promoters	50.55
Public & Others	14.01

Financial Results

In Cr.

Particulars	Qtr Ending Dec.22	Qtr Ending Dec.21	Var. (%)
Net Sales (including other operating income)	4,196.80	3,574.98	17
OPM (%)	19.48	15.10	438 bps
OP	817.58	539.72	51
Other Inc.	50.75	55.13	-8
PBIDT	868.33	594.85	46
Interest	38.13	37.38	2
PBDT	830.20	557.47	49
Depreciation	57.96	50.38	15
PBT	772.24	507.09	52
Share of Profit/(Loss) from Associates	1.47	-0.71	LP
PBT before EO	773.71	506.38	53
EO Income	375.60	-0.98	LP
PBT after EO	1,149.31	505.40	127
Taxation	216.91	136.22	59
PAT	932.40	369.18	153
Minority Interest (MI)	0.01	-2.00	PL
Net profit	932.39	371.18	151
EPS	26.07	15.44	

Britannia Inds Q3FY23 results: NP up 151.20%, beats estimates

For the quarter ending Dec 2022, consolidated Net sales (including other operating income) of Britannia Industries has increased 17.39% to Rs 4196.8 crore compared to quarter ended Dec 2021. Operating profit margin has jumped from 15.10% to 19.48%, leading to 51.48% rise in operating profit to Rs 817.58 crore. Raw material cost as a % of total sales (net of stock adjustments) decreased from 50.70% to 49.72%. Purchase of finished goods cost fell from 11.51% to 6.86%. Employee cost increased from 3.57% to 4.22%. Other expenses rose from 19.18% to 19.82%. Other income fell 7.94% to Rs 50.75 crore. PBIDT rose 45.97% to Rs 868.33 crore. Provision for interest rose 2.01% to Rs 38.13 crore. PBDT rose 48.92% to Rs 830.2 crore. Provision for depreciation rose 15.05% to Rs 57.96 crore. Profit before tax grew 52.29% to Rs 772.24 crore. Provision for tax was expense of Rs 216.91 crore, compared to Rs 136.22 crore. Effective tax rate was 18.87% compared to 26.95%. Net profit attributable to owners of the company increased 151.20% to Rs 932.39 crore.

Management Comments :

Mr. Varun Berry, Vice Chairman & Managing Director, said: "We have witnessed positive growth momentum over the last few quarters. Our Go-to-market strategy and investments in brands & innovation have helped us register a robust topline growth of 16% YoY. Our growing consumer franchise and Brand strength is evident in the consistent market share gains over the past 39 quarters. Continued focus on enhancing direct reach coupled with Rural

agenda have helped us deliver solid growths over the past few quarters. We supported our brands & innovations with the requisite investments in the digital & mass media space. We expanded the footprint of a few of our adjacent categories including croissant & cakes and made entry into new categories. As a part of continuous improvement, we relaunched products like Pure Magic Chocolush & Rusk with improved recipes. Some of our new launches like Biscoffe, Golmaal, NC Seeds & Herbs and Marble cake have done extremely well & continue to grow aggressively quarter on quarter. On cost & profitability front, our pricing actions and intensified cost efficiency program helped mitigate the inflation. On the back of opportunistic buying and moderation in inflation this quarter, our operating margins improved by 330 Bps. We are being vigilant of the competitive actions in the marketplace and shall deploy appropriate pricing actions to drive market share. In line with our ambition to become responsible total foods company, we entered into a strategic partnership with Bel, the renowned French cheese maker, to offer Indian consumers a world-class range of nutritious, delicious and accessible cheese products. Cheese is an under-penetrated category and this partnership will help us expand the nascent but fast growing cheese category in India and being a leader in fulfilling evolving consumer needs. On sustainability front, we stay committed to our ESG framework of People, Growth, Governance and Resources and shall continue to focus on our initiatives to build a Sustainable Profitable business.”

E-mail: smc.care@smcindiaonline.com

Moneywise. Be wise.

Corporate Office:

11/6B, Shanti Chamber,
Pusa Road, New Delhi - 110005
Tel: +91-11-30111000
www.smcindiaonline.com

Mumbai Office:

Lotus Corporate Park, A Wing 401 / 402, 4th Floor,
Graham Firth Steel Compound, Off Western
Express Highway, Jay Coach Signal, Goregaon
(East) Mumbai - 400063
Tel: 91-22-67341600, Fax: 91-22-67341697

Kolkata Office:

18, Rabindra Sarani, Poddar Court, Gate No-4,
5th Floor, Kolkata - 700001
Tel.: 033 6612 7000/033 4058 7000
Fax: 033 6612 7004/033 4058 7004

SMC Global Securities Ltd. (hereinafter referred to as "SMC") is regulated by the Securities and Exchange Board of India ("SEBI") and is licensed to carry on the business of broking, depository services and related activities. SMC is a registered member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited, MSEI (Metropolitan Stock Exchange of India Ltd) and M/s SMC Comtrade Ltd is a registered member of National Commodity and Derivative Exchange Limited and Multi Commodity Exchanges of India and other commodity exchanges in India. SMC is also registered as a Depository Participant with CDSL and NSDL. SMC's other associates are registered as Merchant Bankers, Portfolio Managers, NBFC with SEBI and Reserve Bank of India. It also has registration with AMFI as a Mutual Fund Distributor.

SMC is a SEBI registered Research Analyst having registration number INH100001849. SMC or its associates has not been debarred/ suspended by SEBI or any other regulatory authority for accessing /dealing in securities market. SMC or its associates or its Research Analyst or his relatives do not hold any financial interest in the subject company interest at the time of publication of this Report. SMC or its associates or its Research Analyst or his relatives do not hold any actual/beneficial ownership of more than 1% (one percent) in the subject company, at the end of the month immediately preceding the date of publication of this Report. SMC or its associates its Research Analyst or his relatives does not have any material conflict of interest at the time of publication of this Report.

SMC or its associates/analyst has not received any compensation from the subject company covered by the Research Analyst during the past twelve months. The subject company has not been a client of SMC during the past twelve months. SMC or its associates has not received any compensation or other benefits from the subject company covered by analyst or third party in connection with the present Research Report. The Research Analyst has not served as an officer, director or employee of the subject company covered by him/her and SMC has not been engaged in the market making activity for the subject company covered by the Research Analyst in this report.

The views expressed by the Research Analyst in this Report are based solely on information available publicly available/internal data/ other reliable sources believed to be true. SMC does not represent/ provide any warranty expressly or impliedly to the accuracy, contents or views expressed herein and investors are advised to independently evaluate the market conditions/risks involved before making any investment decision. The research analysts who have prepared this Report hereby certify that the views /opinions expressed in this Report are their personal independent views/opinions in respect of the subject company.

Disclaimer: This Research Report is for the personal information of the authorized recipient and doesn't construe to be any investment, legal or taxation advice to the investor. It is only for private circulation and use. The Research Report is based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such. No action is solicited on the basis of the contents of this Research Report. The Research Report should not be reproduced or redistributed to any other person(s) in any form without prior written permission of the SMC. The contents of this material are general and are neither comprehensive nor inclusive. Neither SMC nor any of its affiliates, associates, representatives, directors or employees shall be responsible for any loss or damage that may arise to any person due to any action taken on the basis of this Research Report. It does not constitute personal recommendations or take into account the particular investment objectives, financial situations or needs of an individual client or a corporate/s or any entity/s. All investments involve risk and past performance doesn't guarantee future results. The value of, and income from investments may vary because of the changes in the macro and micro factors given at a certain period of time. The person should use his/her own judgment while taking investment decisions. Please note that SMC its affiliates, Research Analyst, officers, directors, and employees, including persons involved in the preparation or issuance of this Research Report: (a) from time to time, may have long or short positions in, and buy or sell the securities thereof, of the subject company(ies) mentioned here in; or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company(ies) discussed herein or may perform or seek to perform investment banking services for such company(ies) or act as advisor or lender/borrower to such subject company(ies); or (c) may have any other potential conflict of interest with respect to any recommendation and related information and opinions.

All disputes shall be subject to the exclusive jurisdiction of Delhi High court.