

Bloomberg Code	HUL IN
No of share O/S (in crs)	234.95
Market Cap (in Rs. Crs)	5,53,053
Face Value (in Rs.)	1.00
Dividend Yield (%)	4.09
52 Wk High/Low (Rs.)	2,504/1,902

Shareholding (%)

Promoters	61.90
Institutional	25.63
Public	12.47
Total	100.00

Robust performance with revenue growth at 13% and net profit growth at 33% for the year.

Hindustan Unilever Ltd reported revenue from operations of Rs. 12,132 cr in Q4FY21, registering a QoQ growth of 2.3% due to 14.6% YoY growth in home care, 19.7% YoY in personal, 96.4% YoY in food & refreshments.

In line with revenue, EBITDA for the quarter came in at Rs. 2,957 cr registering a QoQ/YoY change of 3.6%/43.2%, respectively. Accordingly, EBITDA Margin increased by 150 bps on a YoY basis and improved by 30 bps on a QoQ basis during the quarter. For FY21, EBITDA improved by 24.4% to Rs. 2,957 cr leading to EBITDA margin expansion of 150 bps.

For Q4FY21, the net profit increased by 41.1%/11.6% on a YoY/QoQ basis respectively to Rs. 2,143 cr. Net profit margin also expanded to 17.7% from 16.2% in Q3FY21 and 16.9% in Q4FY20. For FY21, net profit grew by 18.0% to Rs. 7,954 cr and net margin declined a tad by 10 bps.

Concall Highlights

- Health, Hygiene & Hygiene and Nutrition (HHN), forming ~80% of the business, continued to perform well and grew in double-digits in 4QFY21 (for the third consecutive quarter) and 12% in FY21.
- OOH (Out of home) category improved QoQ primarily led by ice-creams.
- Home Care - Liquid & Premium portfolio grew ahead of the category in 4QFY21. Household Care recorded strong double-digit growth, led by Vim. HUL is undertaking efforts to strengthen the brand positioning of Domex in India and intends to extend it from a toilet cleaner to floor/surface cleaner.
- Personal Care –Robust performance in skin cleansing was driven by high double-digit growth in Lifebuoy, whose market leadership strengthened further. Growth momentum sustained in the Oral Care portfolio in 4QFY21 and Closeup continued to deliver strong performance. While demand for colour cosmetics continued to improve QoQ, there is a possibility of demand getting affected by the second Covid wave.
- Foods & Refreshment - F&R portfolio led the company's overall growth for the quarter. Food portfolio saw softening of in-home consumption trend in 4QFY21. Ketchups and Soups grew in double digits. All tea brands grew in double-digits in 4QFY21 and portfolio continued its momentum in market share gain. The company has re-launched plus range of Horlicks to penetrate into high sciences category of adult nutrition.

Valuation

At the CMP of Rs. 2,353, Hindustan Unilever Ltd is trading at FY21 P/E of 69.5.

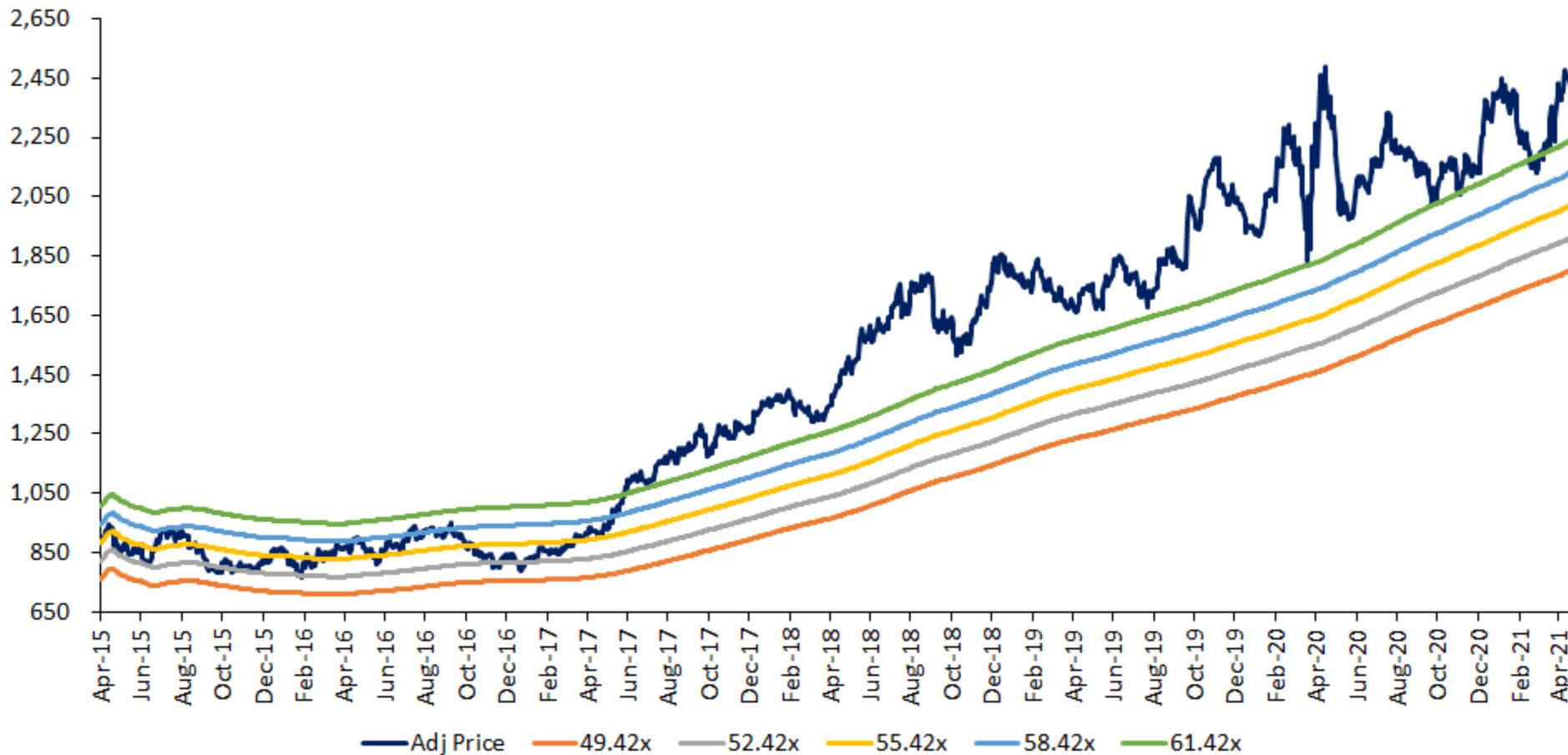
Revenue for the year stood at Rs. 12,132 cr, up by 34.6% on a YoY basis majorly due to food & refreshments which is up 96.4% YoY.

For FY21, EBITDA registered an increase of 43.2% to Rs. 2,957 cr and EBITDA margin expanded by 150 bps to 24.4%.

Net profit for the year came in at Rs. 2,143 cr, a YoY growth of 41.1% and net margin came in at 17.7% up by 80 bps on account of improved efficiency.

Figures are in Rs Cr	Q4FY21	Q4FY20	YoY (%)	Q3FY21	QoQ (%)	FY21	FY20	YoY (%)
Revenue from operations	12,132	9,011	34.6	11,862	2.3	45,996	38,785	18.6
Raw Material Cost	5,756	4,170	38.0	5,459	5.4	21,677	17,793	21.8
RM Cost to Sales (%)	47.4	46.3		46.0		47.1	45.9	
Employee Cost	522	355	47.0	556	-6.1	2,229	1,691	31.8
Employee Cost to Sales (%)	4.3	3.9		4.7		4.8	4.4	
Other Expenses	2,897	2,421	19.7	2,993	-3.2	10,766	9,701	11.0
Advertising and Promotion	1,413	1,164	21.4	1,388	1.8	4,737	4,686	1.1
Others	1,484	1,257	18.1	1,605	-7.5	6,029	5,015	20.2
Other expenses to Sales (%)	23.9	26.9		25.2		23.4	25.0	
EBITDA	2,957	2,065	43.2	2,854	3.6	11,324	9,600	18.0
EBITDA Margin (%)	24.4	22.9		24.1		24.6	24.8	
Depreciation	249	255	-2.4	272	-8.5	1,012	938	7.9
Interest	9	26	-65.4	41	-78.0	108	106	1.9
Other Income	109	266	-59.0	97	12.4	513	733	-30.0
Other Income to Sales (%)	0.9	3.0		0.8		1.1	1.9	
Profit Before Tax	2,808	2,050	37.0	2,638	6.4	10,717	9,289	15.4
Exceptional items	14	-58	-124.1	-42	-133.3	-227	-197	15.2
Tax	679	473	43.6	675	0.6	2,536	2,354	7.7
Tax Rate (%)	24.2	23.1		25.6		23.7	25.3	
Profit After Tax	2,143	1,519	41.1	1,921	11.6	7,954	6,738	18.0
PAT Margin (%)	17.7	16.9		16.2		17.3	17.4	
Adjusted EPS (Rs.)	9.1	7.0	29.9	8.2	11.5	33.9	31.1	8.7
Net Worth						47,434	8,031	490.6
Adjusted BVPS (Rs.)						201.8	37.2	442.9
Net Debt						-4,321	-5,017	-13.9
Net Debt to Equity (x)						-0.1	-0.6	
Net Debt to EBITDA (x)						-0.4	-0.5	
RoE (%)						16.8	83.9	
P/E (x)						69.5	75.6	
P/B (x)						11.7	63.3	

1 year forward P/E band chart



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