

FMCG

HUL	Q4 FY23	Q4 FY22	Q3 FY23	YoY	QoQ	FY23	FY22	YoY
Revenue	15,215	13,767	15,597	11%	-2%	60,580	52,446	16%
Gross Profit	7,468	6,811	7,489	10%	0%	28,864	26,711	8%
Gross Margin	49%	49%	48%			48%	48%	
EBITDA	3,812	3,437	3,701	11%	3%	14,595	13,076	12%
EBITDA Margin (%)	25%	25%	24%			24%	25%	
PBT	3,492	3,121	3,379	12%	3%	13,344	11,879	12%
PBT Margin (%)	23%	23%	22%			22%	23%	
PAT	2,601	2,307	2,481	13%	5%	10,143	8,879	14%
PAT Margin(%)	17%	17%	16%			17%	17%	

Volume growth of 5% YoY for FY23, 4% YoY in Q4. Despite high inflation, EBITDA margin stayed healthy price hike of 18%
 Absolute A&P spends were up 140 Cr YoY, A&P as a percentage of turnover rose 140 bps as management focused on market share gains
 Exceptional income increased YoY from sale of properties and disposal of Annapurna and Captain Cook brands
 19 brands reporting over ₹1,000 Cr each annually, these 19 brands account over 80% of the company's turnover in FY23
 e-B2B app 'Shikhar' currently has 1.2 million outlets, captured 30% of its sales digitally
 Mr. Rohit Jawa will succeed Mr. Sanjiv Mehta as the MD & CEO of the company in June 2023
 Slowdown in the FMCG market bottoming out, flat volume growth during Q4 FY23 v/s mid single digit decline in Q3 FY23
 Sector showed very high price growth of 11% YoY, expected to go down as and when price correction picks up. Urban market continues to lead the growth while rural market is showing some signs of improvement with higher value growth sequentially
 In FY23 HOME CARE segment grew by 28% YoY with double digit volume growth, growth was led by the premium portfolio. Grew by 19% YoY in Q4. Fabric Wash portfolio witnessed strong double-digit growth led by premium portfolio coupled with market share gain in Q4
 In FY23 BEAUTY & PERSONAL CARE exceeded more than ₹21,000 Cr at growth of more than 12% YoY. Volumes grew low single digit despite decline in market volumes. In Q4 it delivered broad based growth of 10% YoY, volume growth was in mid single digit.
 FOODS & REFRESHMENT segment turnover of 15,000 Cr with a volume growth of 5% YoY in FY23. The growth was led by strong performance in ice-cream, coffee and food. In Q4 the segment grew 3% YoY
 Management continues to invest into the premium portfolio, higher A&P spends to boost margins once the situation improves. Rural growth in FY23 was -3% and value growth 4% while urban value growth was 11%. Size of rural market is 1/3rd the urban market

Nestle	Q1 CY23	Q1 CY22	Q4 CY22	YoY	QoQ	CY22	CY21	YoY
Revenue	4,831	3,993	4,257	21%	13%	16,897	14,741	15%
Gross Profit	2,599	2,208	2,336	18%	11%	9,147	8,394	9%
Gross Margin(%)	54%	55%	55%			54%	57%	
EBITDA	1,129	942	1,003	20%	13%	3,813	3,450	11%
EBITDA Margin (%)	23%	24%	24%			23%	23%	
PBT	990	802	859	23%	15%	3,256	2,857	14%
PBT Margin (%)	20%	20%	20%			19%	19%	
PAT	737	591	628	25%	17%	2,391	2,118	13%
PAT Margin(%)	15%	15%	15%			14%	14%	

During the quarter Nestle India's domestic sales increased 21% YoY to Rs 4,612 Cr, exports rose 25% to Rs 196 Cr
 Higher price of commodities like milk & derivatives, edible oil, wheat flour impacted gross margin, partly offset by realizations
 Rural growth was also "strong, secular, and robust" being volume-led
 Out-of-home business continued to accelerate during the quarter, strong performance in e-commerce continued
 All product categories delivered double digit growth for the 4th quarter in a row. Focus on new categories like pet food continues
 Expecting to see soft pricing of commodities going forward
 Momentum in urban India and mega cities was strong, business saw limited impact in rural segment compared to other FMCG categories

Godfrey Philips	Q4 FY23	Q4 FY22	Q3 FY23	YoY	QoQ	FY23	FY22	YoY
Revenue	796	724	920	10%	-13%	3,562	2,688	33%
Gross Profit	408	383	467	7%	-13%	1,781	1,463	22%
Gross Margin(%)	51%	53%	51%			50%	54%	
EBITDA	196	189	289	4%	-32%	972	747	30%
EBITDA Margin (%)	25%	26%	31%			27%	28%	
PBT	149	140	243	6%	-39%	789	568	39%
PBT Margin (%)	19%	19%	26%			22%	21%	
PAT	147	104	199	41%	-26%	690	438	58%
PAT Margin(%)	18%	14%	22%			19%	16%	

Tobacco revenue was 94% of the total revenue for FY23. Domestic revenue 7,852 Cr and international revenue at 955 Cr
Consumer & retail division revenue was 483 Cr across 146 stores, Confectionary revenue at 36 Cr
International tobacco sales across multiple brands and multiple geos - LATAM, ME, SEA and Eastern Europe across 40 countries
Domestic cigarette volume for FY23 was up 25% YoY to 1,163 mn a month, Q4 run rate was 1,187 mn a month lower from 1,224 in Q3

ITC	Q4 FY23	Q4 FY22	Q3 FY23	YoY	QoQ	FY23	FY22	YoY
Revenue	17,635	16,556	17,705	7%	0%	70,937	60,645	17%
Gross Profit	10,865	9,300	10,810	17%	1%	41,933	34,261	22%
Gross Margin(%)	62%	56%	61%			59%	56%	
EBITDA	7,307	6,098	7,300	20%	0%	27,718	22,533	23%
EBITDA Margin (%)	41%	37%	41%			39%	37%	
PBT	6,833	5,620	6,844	22%	0%	25,866	20,740	25%
PBT Margin (%)	39%	34%	39%			36%	34%	
PAT	5,243	4,266	5,080	23%	3%	19,477	15,503	26%
PAT Margin(%)	30%	26%	29%			27%	26%	

FMCG – Others Segment growth continues; Q4 revenue up 19.4% YoY, at ~1.6x of Q4 FY20. Staples, Biscuits, Snacks, Noodles, Dairy, Beverages, Soaps, Fragrances, Agarbatti drive growth. Education & Stationery Products Business continues to witness strong traction. Q4 Segment EBITDA up 76% YoY. EBITDA margin at 10.2% for Q4

Q4 Cigarettes revenue up 13.7% YoY; Segment PBIT up 14.0% YoY - Market standing reinforced through focused portfolio/market interventions and agile execution.

Stellar performance in Hotels Business; Q4 revenue at 2x of Q4 FY22 and at appx. 1.7x of Q4 FY20. RevPAR well ahead of pre-pandemic levels. Q4 Segment EBITDA at 272 cr. at 2.5x of Q4 FY20, up 240 cr. YoY.

Agri Business Q4 revenue up appx. 20% YoY (ex-Wheat exports). Q4 Segment PBIT up 25.9% YoY driven by growth in value-added agri products and leaf tobacco exports, restrictions imposed on wheat & rice exports impacted revenue. Capacity utilisation of recently commissioned value-added Spices processing facility equipped with state-of-the-art technology in Guntur being scaled up Paperboards, Paper and Packaging Segment includes the impact of planned shut down of pulp mills for capacity expansion. Softening of pulp prices, muted demand mainly in global markets and relatively higher base impacted YoY Segment Revenue growth. Q4 Segment Revenue at 2,221 cr.; 3 Yr. CAGR at 15% - Q4 Segment PBIT at 445 cr.; 3 Yr. CAGR at 16%

Market coverage at 2.1x pre COVID levels, e-commerce sales up 4.7x over the same period; channel salience at 10% now

Total dividend for FY23 at 15.50 per share, dividend yield at ~3.5%

Management continues to acquire a portfolio of digital first brands, acquired 39% in Sproutlife (Yogabar) in May 2023. Tremendous progress has been made in the D2C, digital, e-commerce & distribution expansion over the past 3 years

VST Industries	Q4 FY23	Q4 FY22	Q3 FY23	YoY	QoQ	FY23	FY22	YoY
Revenue	302	303	346	0%	-13%	1,292	1,178	10%
Gross Profit	160	159	164	3%	-2%	671	665	1%
Gross Margin(%)	53%	53%	47%			52%	56%	
EBITDA	98	123	111	-10%	-12%	459	459	
EBITDA Margin (%)	32%	41%	32%			36%	39%	
PBT	90	115	103	-10%	-13%	429	428	0%
PBT Margin (%)	30%	38%	30%			33%	36%	
PAT	69	87	79	-9%	-13%	327	320	2%
PAT Margin(%)	23%	29%	23%			25%	27%	

Dabur	Q4 FY23	Q4 FY22	Q3 FY23	YoY	QoQ	FY23	FY22	YoY
Revenue	2,678	2,518	3,043	6%	-12%	11,530	10,889	6%
Gross Profit	1,227	1,195	1,385	3%	-11%	5,261	5,249	0%
Gross Margin(%)	46%	47%	46%			46%	48%	
EBITDA	531	466	710	14%	-25%	2,614	2,560	2%
EBITDA Margin (%)	20%	19%	23%			23%	24%	
PBT	396	390	620	2%	-36%	2,219	2,269	-2%
PBT Margin (%)	15%	15%	20%			19%	21%	
PAT	293	294	477	0%	-39%	1,701	1,742	-2%
PAT Margin(%)	11%	12%	16%			15%	16%	

India FMCG business reported a growth of ~4.7% YoY in Q4, international business witnessed a constant currency growth of 8.6% YoY
Domestic business contributed 71.3% to the total revenue in FY23

Rural markets continued to lag urban markets on account of high inflation and downtrading by consumers

In FY23, sales contribution by verticals in the domestic FMCG business was: HPC 47.2%, healthcare 31.7% and food & beverages 21.1%

Among channels, e-commerce contributed ~9% to the revenue. Modern trade saw a double-digit growth during the year

Direct reach rose to 1.4 million outlets, village coverage increased by 1 lakh villages in FY23. Total coverage at ~7.7mn outlets

Healthcare revenue for FY23 was ₹2,581 Cr lower 7 % YoY. Digestives rose 10.4% in FY23 driven by Hajmola and Pudim Hara

HPC revenue in FY23 was ₹3,846 Cr higher 5% YoY. In Q4 secondary sales of HPC rose 7% YoY but primary sales were impacted by rains and down-stocking

Hair oil portfolio was flat in Q4 despite the category declining in FY23, market share increased by ~130 bps to 17%

Food & beverage revenue (ex-Badshah Masala) for FY23 was ₹1,724 Cr from ₹,1326 Cr YoY. Foods segment grew 22% YoY in Q4. 3 year growth rate of this segment is ~22% outpacing the other 2 categories (Healthcare & HPC that are growing at ~9%)

Digital spends higher at 31% in FY23 from < 10% in FY18, partnered with 2000+ influencers to target millenials & Gen Z

Other expenses saw one time increase by 25-30 Cr in Q4 due to Badshah acquisition. Badshah business to grow at 20% p.a.

Britannia Industries	Q4 FY23	Q4 FY22	Q3 FY23	YoY	QoQ	FY23	FY22	YoY
Revenue	4,023	3,550	4,196	13%	-4%	16,301	14,136	15%
Gross Profit	1,808	1,337	1,785	35%	1%	6,711	5,376	25%
Gross Margin(%)	45%	38%	43%			41%	38%	
EBITDA	861	604	870	43%	-1%	3,428	2,423	41%
EBITDA Margin (%)	21%	17%	21%			21%	17%	
PBT	761	519	1,149	47%	-34%	3,033	2,078	46%
PBT Margin (%)	19%	15%	27%			19%	15%	
PAT	558	378	932	48%	-40%	2,316	1,516	53%
PAT Margin(%)	14%	11%	22%			14%	11%	

RM prices softened in Q4 with deflation in RPO (refined palm oil) & packing materials except flour, dairy rose 20% QoQ and by 54% YoY. Palm oil prices fell 6% QoQ and by 14% YoY, flour prices rose 4% QoQ and by 21% YoY. Laminates fell 5% QoQ and by 9% YoY, corrugated boxes fell 7% QoQ and by 16% YoY. These four inputs constitute 60% of RM

Other operating revenue includes PLI incentive received, this is ~17% of PBT for the quarter. Expecting 15-20 Cr per Q going forward. Transaction volume for the period was ~12% while volume growth was in low single digit.

Non-biscuit portfolio is ~₹3,300-3,800 crore market size, major categories are: cakes, dairy, rusk & bread. Milkin Cow has become a ₹150 Cr brand, Croissant portfolio crossed ₹100 Cr. Croissant's base market Tamil Nadu and West Bengal grew at a healthy rate of ~50% YoY. Rural distributors rose from 26K in March 2022 to 28K in March 2023. Grew its direct reach outlets and added ~2,00,000 outlets in FY23. Bread portfolio grew profitably and commercialized 3 new lines in Rusks category; milk collection scaled-up to 2,00,000 litres per day. Dairy plant supplies the captive milk based raw materials to the bakery division.

NPC (new product contribution) in the last 24 months was ~3%-3.5% of revenue.

Relaunched Pure Magic, launched orange variant Croissant; 50-50 Golmaal extended to South and West saw 40% revenue shift QoQ.

Nutri Choice Seeds & Herbs saw 50% revenue shift QoQ. Milk Bikis Classic witnessed healthy revenue shift of 20% QoQ.

Milk shakes have been transitioned to PET bottles from Tetra packs; also added Rich Milk Shakes and Coconut water to its portfolio.

Market share points gained in urban and rural at 1.0x and 1.4x over FY21 resp, lead over #2 and #3 has widened.

Innovation contribution > 10% from new product development.

Marico Ltd	Q4 FY23	Q4 FY22	Q3 FY23	YoY	QoQ	FY23	FY22	YoY
Revenue	2,240	2,161	2,470	4%	-9%	9,764	9,512	3%
Gross Profit	1,062	961	1,110	11%	-4%	4,413	4,076	8%
Gross Margin(%)	47%	44%	45%			45%	43%	
EBITDA	461	370	496	25%	-7%	1,954	1,779	10%
EBITDA Margin (%)	21%	17%	20%			20%	19%	
PBT	401	322	443	25%	-9%	1,743	1,601	9%
PBT Margin (%)	18%	15%	18%			18%	17%	
PAT	305	257	333	19%	-8%	1,322	1,255	5%
PAT Margin(%)	14%	12%	13%			14%	13%	

Volume growth of 5% YoY in the domestic business, 16% YoY constant currency value growth in the international business.

Gross margins due to moderation in input prices and favorable portfolio mix in their India business.

A&P spend 9.4% of sales, up 3% YoY. The company prioritized investments towards strategic brand building.

PAT increased YoY on the back of higher other income, one-time gain of ₹28 crore on sale of land in one of the overseas locations.

Parachute Rigids grew 9% YoY in volume terms in Q4, copra prices stable through the quarter; gained 70 bps in volume market share (MS).

Saffola franchise declined 9% YoY in value terms due to decline in the price of edible oils. Foods grew 18% YoY in Q4, 600 Cr in FY23.

Value added hair oils grew 13% YoY in Q4 due to volumes, mid and premium segments of the category continued to perform better.

Premium Personal Care witnessed healthy growth during the quarter.

Medium-term aspiration of delivering 13%-15% revenue growth on the back of 8%-10% domestic volume growth and double-digit constant currency growth in the international business.

Foods franchise is poised to achieve FY24 aspiration ₹850 crore, aims to accelerate their digital transformation journey by building a portfolio of digital brands with a combined turnover of ~₹400 crore by FY24.

Gross margin to expand by 200-250 bps, operating margin by 100 bps in FY24 with lower RM prices and favourable portfolio mix.

Going forward, PLI benefits will be ₹15-20 crore per quarter. FY24 capex to be ~₹500-600 crore.

Modern trade and e-commerce channels put together moved to 30% of the revenue, general trade channel expected to revive in FY24.