

Berger Paints (I) Limited

CMP : Rs 300.95

May 30, 2018

Operating profit up 24%

Berger paints net sales rose 17% to Rs 1298.27 crore during Q4FY18 compared to corresponding previous year period. The company operating margins rose 90 bps to 15.4%. As a result operating was up 24% to Rs 200.17 crore.

Cost of material consumed as a percentage of net sales (net of stock adjustment) rose 340 bps to 54.9% while purchase of stock in trade fell 30 bps to 8.4%. Employee benefit expenses decreased 30 bps to 6.2% and other expense decreased 290 bps to 16.8%.

Other income of the company rose 32% to Rs 12.2 crore. Interest cost jumped 61% to Rs 6.38 crore. Depreciation rose 16% to Rs 31.99 crore. PBT as a result rose 18% to Rs 174 crore. The effective tax rate rose to 34.7% compared to 30.2% owing to which the company's PAT increased 10% to Rs 113.54 crore. Further considering share of profit of associate and joint ventures, net profit increased 1% to Rs 106.21 crore.

Consolidated year ended Performance

For year ended March 2018, net sales rose 13% to Rs 5165.73 crore compared to corresponding previous year. The company operating margins fell 20 bps to 15.6%. As a result operating was up 12% to Rs 806.99 crore.

Cost of material consumed as a percentage of net sales (net of stock adjustment) was up 200 bps to 50.9% while purchase of stock in trade fell 110 bps at 8.2%. Employee benefit expenses increased 20 bps to 6.8% and other expense decreased 110 bps to 18.8%.

Other income of the company fell 16% to Rs 45.87 crore. Interest cost rose by 51% to Rs 24.55 crore. Depreciation rose 15% to Rs 124.21 crore. PBT before EO as a result rose 9% to Rs 704.1 crore. The company had nil EO income for current period compared to EO income of Rs 44.20 crore for sale of business to Berger Nippon Paint Automotive coatings private limited (a joint venture company in which Berger paints holds 49% of the paid up capital) in the corresponding previous year period. PBT after EO fell 2%. The effective tax rate rose to 34.6% compared to 33.1% owing to which the company's PAT decreased 1% to Rs 460.19 crore. Further considering share of profit of associate and joint ventures, net profit fell 3% to Rs 460.83 crore.

INDEX DETAILS

SENSEX	34906.11
NIFTY (S&P CNX)	10614.35

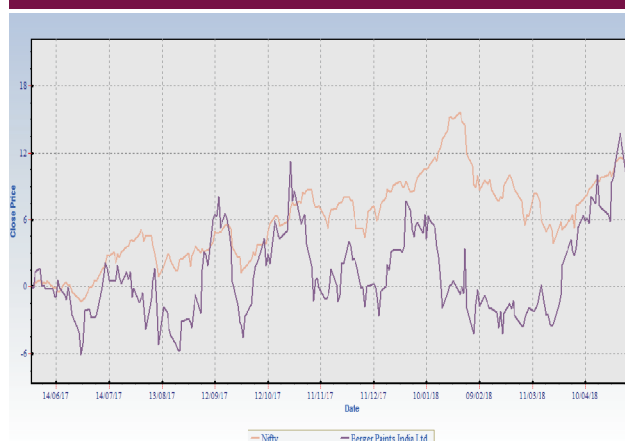
SCRIP DETAILS

Industry	Furniture,Furnishing,Paints
Mkt Cap (Rs in Crore)	29194.14
Book Value (Rs)	19.90
Free Float (%)	25.01
Avg Vol Weekly (NSE)	1280896
52 Week H/L (NSE)	305.40 / 230.80
Dividend Yield (%)	0.58
BSE Code	509480
NSE Code	BERGEPAIN

SHAREHOLDING PATTERN(%)

PARTICULARS	LATEST QUARTER	PREVIOUS QUARTER
Promoters	74.99	74.99
FII's	10.66	10.67
DII's	3.50	3.52
Others	10.85	10.82
Totals	100	100

Price Comparison with Sensex



Berger paints Consolidated results

Particulars	Q4FY18	Q4FY17	Var (%)	FY18	FY17	Var (%)
Net Sales	1298.27	1112.9	17	5165.73	4552.25	13
OPM (%)	15.4	14.5		15.6	15.8	
OP	200.17	161.13	24	806.99	718.56	12
Other Income	12.2	18	-32	45.87	54.54	-16
PBDIT	212.37	179.13	19	852.86	773.1	10
Interest	6.38	3.96	61	24.55	16.22	51
PBDT	205.99	175.17	18	828.31	756.88	9
Depreciation	31.99	27.53	16	124.21	108.05	15
PBT before EO	174	147.64	18	704.1	648.83	9
EO	0	0	0	0	-44.2	0
PBT after EO	174	147.64	18	704.1	693.03	2
Tax	60.46	44.61	36	243.91	229.42	6
PAT	113.54	103.03	10	460.19	463.61	-1
Share of profit of associate and JV	-7.33	2.47		0.64	10.05	
Net Profit	106.21	105.5	1	460.83	473.66	-3
EPS (Rs)*	4.4	4.3		4.7	4.6	

NOTES :-

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Main Office : Ck-15, Sector-II, Salt Lake City, Kolkata-700091.