



All-round good show

Bilcare came out with impressive performance for the quarter ended June 2010. The consolidated net profit rose by 34% to Rs 30.67 crore on 27% increase in net sales to Rs 307.37 crore. At operating level, margins rose by 180 bps to 24.9% resulting in operating profit to increase by 37% to Rs 76.45 crore. Higher interest outgo and depreciation restricted PBT growth to 32% at Rs 43.59 crore. The fall in the effective tax rate by 110 bps to 29.6% paved for 34% growth in net profit. Recently, company signed an agreement with INEOS to acquire INEOS group's Global Films business for Rs 607 crore. The acquisition will be done through its wholly owned subsidiary. It expects the transaction to complete by end of August 2010.

On standalone basis, the total income from operations increased by 17% to Rs 153.41 crore for the quarter ended June 2010. Operating profit margins rose by 80 bps to 29.2% resulting operating profit margins to increase by 20% to Rs 44.79 crore. Higher interest cost and depreciation led net profit to increase by only 10% to Rs 18.54 crore.

Consolidated Quarterly Performance

Net sales for the quarter ended June 2010 rose by 29% to Rs 308.54 crore. Loss of Rs 1.17 crore at other operating income level compared to income of Rs 3.28 crore restricted growth in total income from operations to 27% at Rs 307.37 crore. Operating profit margins expanded by 180 bps to 24.9% resulting operating profit to increase by 37% to Rs 76.45 crore. The decline in the margins is on the back of fall in other expenditure as percentage to sales, net of stock adjustment by 290 bps to 9.4%. However, margins would have further improved but increase in the consumption cost by 120 bps to 56.8% and employee cost by 20 bps to 9.4% restricted growth in operating profit. Interest cost rose by 75% to Rs 16.91 crore and depreciation went up by 22% to Rs 15.95 crore. Decline in the effective tax rate by 110 bps to 29.6% led net profit to increase by 34% to Rs 30.67 crore.

Consolidated Yearly Performance

For the year ended March 2010, total income from operation increased by 23% to Rs 1065.47 crore. Operating profit margins expanded 190 bps to 24.4% resulting operating profit to increase by 34% to Rs 259.70 crore. Interest cost increased by 12% to Rs 43.89 crore and depreciation rose by 42% to Rs 53.67 crore resulting, PBT to increase by 38% to Rs 162.14 crore. Dip in the effective tax rate by 130 bps to 27.9% boosted net profit to increase by 41% to Rs 116.87 crore.

Valuation

The scrip is trading at Rs 519 on BSE. The TTM EPS worked out to be Rs 55 and P/E stands at 9.4 times.

Bilcare: Consolidated Financial Result

	1006(03)	0906(03)	Var. (%)	1003(12)	0903(12)	Var. (%)
Net Sales	308.54	238.47	29	1047.48	856.02	22
Other Operating Income	-1.17	3.28	PL	17.99	7.71	133
Total income from Operations	307.37	241.75	27	1065.47	863.73	23
OPM (%)	24.9	23.1		24.4	22.5	
OP	76.45	55.77	37	259.70	194.21	34
Other income	0.00	0.00	0	0.00	0.00	0
PBIDTA	76.45	55.77	37	259.70	194.21	34
Interest	16.91	9.68	75	43.89	39.25	12
PBDT	59.54	46.09	29	215.81	154.96	39
Depreciation	15.95	13.11	22	53.67	37.84	42
PBT	43.59	32.98	32	162.14	117.12	38
Tax	12.92	10.14	27	45.27	34.18	32
Net Profit	30.67	22.84	34	116.87	82.94	41
EPS	54.1	40.3		51.5	36.6	

* Annualised on current equity Rs 22.69 crore. Face Value: Rs 10 per share

Var (%) exceeding 999 has been truncated to 999

LP: Loss to Profit

PL: Profit to Loss

Figures in Rs crore

Source: Capitaline corporate database

Bilcare: Standalone Financial Results

	1006(03)	0906(03)	Var. (%)	1003(12)	0903(12)	Var. (%)
Net Sales	154.85	128.51	20	549.65	471.33	17
Other Operating Income	-1.44	2.76	PL	14.83	4.98	198
Total income from Operations	153.41	131.27	17	564.48	476.31	19
OPM (%)	29.2	28.4		29.3	27.5	
OP	44.79	37.24	20	165.53	130.84	27
Other income	0.00	0.00	0	0.00	0.00	0
PBIDTA	44.79	37.24	20	165.53	130.84	27
Interest	9.11	5.05	80	26.39	19.74	34
PBDT	35.68	32.19	11	139.14	111.10	25
Depreciation	7.59	6.68	14	26.56	18.78	41
PBT	28.09	25.51	10	112.58	92.32	22
Tax	9.55	8.67	10	37.30	31.62	18
Net Profit	18.54	16.84	10	75.28	60.70	24
EPS	16.3	29.7		43.7	17.6	

* Annualised on current equity Rs 22.69 crore. Face Value: Rs 10 per share

LP: Loss to Profit

PL: Profit to Loss

Figures in Rs crore

Source: Capitaline corporate database

Source: <http://www.indiainfoline.com/Markets/News/Bilcare/3258220812>