

Emami net up
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Emami net up 113% on inorganic growth

Our Bureau
KOLKATA

AN INORGANIC growth of 151% helped Emami Ltd clock a 112.76% rise in net profit before minority interest at Rs 28.66 crore for the second-quarter (Q2) ended September 30, 2009, compared to a Rs 13.47 crore net in the earlier corresponding quarter.

The figures, however, are not comparable with previous years' numbers because the recently acquired Zandu Pharmaceutical Works became Emami's subsidiary only in the third quarter ended December 31, 2008.

While consolidated turnover at Rs 212 crore for the quarter has increased by 65.7% (including inorganic growth of 40.1%), consolidated EBIDTA at Rs 48 crore has increased by 203.1% (including inorganic growth of 151%) over the corresponding period in previous year. Despite increase in interest expenses by Rs 8 crore, net profit after minority interest at Rs 23 crore also grew by 71.2% during this period, the company said in a statement issued after the board meeting held in Kolkata on Wednesday.

A Kolkata-based company with interests in personal and healthcare businesses, Emami Ltd's unaudited consolidated financial results for the quarter comprise the parent company Emami and its subsidiaries Zandu Pharma-

ceutical, Emami UK, Emami International FZE, Emami Bangladesh and Emami Realty and its subsidiaries.

Emami director Mohan Goenka also attributed the performance to consistent growth of its power brands. "Power brands like Fair and Handsome, Navratna Oil, Boroplus Antiseptic Cream, Menthoplus Balm and other products clocked consistent growth. New products — Boroplus Navratna Extra Thanda Oil and Navratna Cool Talc — launched recently got encouraging response too. Zandu Balm has been rejuvenated under new anti-spurious innovative packaging," he added.

Revenue from the company's international business grew by 35% in the said period, the release said. While development of new products and new markets continue, the thrust is on increasing distribution and penetration in existing markets and on initiating development of global brands.

The FMCG major has also engaged management consultants Ernst & Young to leverage enhanced value out of the company's supply chain, sales, distribution and human resource capabilities.

Besides, the company has added some 15,000 new retail outlets to the network expanding the total network of outlets to 4.15 lakh countrywide. A state of the art manufacturing unit has been set up at Abhoypur at Guwahati and another at Pantnagar in Uttaranchal under Zandu Pharmaceutical.



REPORT CARD

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