

# Emami profit surges 30% in fourth quarter

## Margins improve on cost management

**Our Bureau**

Kolkata, May 6

Riding on the back of higher sales, Emami Ltd posted 30 per cent rise in net profit to Rs 94 crore for the fourth quarter ended March 31, 2013.

Emami has maintained the dividend at last years' level. The board has recommended a dividend of Rs 8 per share of face value of Re 1 each for the year ended March 31, 2013, subject to shareholders' approval.

The board has also recommended issue of bonus shares in the ratio of 1:2 (one equity share for every two existing equity share held).

According to Naresh H.



**Good show**

(In Rs cr)

	Q4 2011-12	Q4 2012-13	Growth (%)
Net profit	72	94	30
Net sales	398	451	13

Bhansali, Chief Executive Officer, Finance, Strategy and Business Development, Emami's profit margins improved during the period under review due to various measures including cost optimisation and judicious price increase. This apart, raw material prices started coming down during the January-March quarter.

EBITDA at Rs 100 crore grew by over 21 per cent.

"Our domestic business registered a growth of over 17 per cent. Our margins improved on the back of effective cost management initiatives," he said.

Emami's direct rural business grew by 31 per cent during the year and accounts for nearly 26 per cent of total

sales. The company's board also approved its proposal of establishing a manufacturing unit at Guwahati.

Emami has two existing units in Assam. A new unit would entail an investment of about Rs 30 crore, Bhansali had said.

### INTERNATIONAL BUSINESS

The international business was subdued due to lower off-take in CIS, Russia and African markets coupled with correction of inventory at distributors' level and discontinuance of low margin products in Africa, the release said.

The company's shares closed at Rs 664.75, up 0.79 per cent, on the BSE on Monday.

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