

Year:

2016-17

Turnover: ₹ 2,533 cr Cash Profit: ₹ 649 cr

One of the fastest homegrown FMCG Company in India with a 13% CAGR in topline for past 5 years

Power Brands- Boroplus
Antiseptic cream, Navratna
Oil, Zandu Balm, Fair and
Handsome and Kesh King
are market leaders in India
in their respective
categories

Ambassadors-Amitabh Bachchan, Pt Birju Maharaj Shah Rukh Khan, Hrithik Roshan, Kapoor, Madhuri Dixit. Kareena Kapoor, Yami Gautam, Kangana Ranaut, Shilpa Shetty, Sonakshi Sinha, Shruti Haasan, Juhi Chawla, Sachin Tendulkar, Surya, Jr. NTR, Sania Mirza among others

Covers more than 40 lac retail outlets across India through 3,200 distributors

Forbes India , ranked Mr. R.S. Agarwal and Mr. R.S. Goenka – founders of Emami Group as 84th Richest Persons in India. However, if considered one, the ranking would go upto 38th position.

Listed among the Fortune 500 India's largest corporations by profitability

Listed among the SUPER 50 by Forbes India in 2015 & 2016

Among Asia's 'Best Under A Billion' 2011 companies by Forbes Magazine

Rated (by CARE & CRISIL)
A1+ (highest rating) for
short-term borrowings,
signifying highest safety; and
AA+ for longterm borrowings.

EMAMI PREPARED TO REGAIN MOMENTUM POST DESTOCKING & INVENTORY CORRECTION IN Q1FY18

Kolkata, August 2nd 2017: The Board of Directors of Emami Limited met on Wednesday, August 2, 2017 to consider the unaudited financial results of the company for the first quarter ended June 30, 2017.

The quarter witnessed significant destocking in the domestic market due to implementation of GST and also sizeable inventory correction in International markets. Domestic rural and wholesale markets which were recovering from demonetization were further impacted due to the implementation of GST. Further, geopolitical conditions in our International markets also impacted the business.

Due to such challenges, our consolidated revenues at ₹ 541 cr declined by 16%. Consequently the profits also reduced. We continued to introduce new launches viz. Zandu Gel, Zandu Spray, Zandu Roll On, Fair and Handsome Oil Control Face Wash, HE On the Go Facewash and Navratna i-COOL Dynamite (a new variant of Navratna i-COOL talc), during the quarter and invested in their promotions aggressively which further impacted the bottomline.

Emami, however, expects to regain the ground as the market looks optimistic post GST and secondary sales in the International markets are also improving.

Mr Mohan Goenka, Director, Emami Limited said:

"Apprehensions of GST and resulting uncertainties at trade level, particularly in wholesale and rural sales channels led to substantial destocking in domestic market. Primary offtakes faced reduction in such a business environment. This quarter, is therefore, not the representative of the business outlook of the Company. Going forward, we expect to regain the momentum in the balance period of the fiscal. We also expect to deliver a good growth in international business as we have already corrected inventory levels in major international markets over the past few months."

Mr Harsha V Agarwal, Director, Emami Limited said:

A good monsoon, increasing infrastructure, enhanced government spending and streamlining of GST are expected to help in generating good growth on medium to long-term basis. We expect second half of the current fiscal to be better than



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the first half. We have undertaken restructuring of our distribution network in a big way. We believe that efficient direct distribution is always the best way to reach retailers so that the dependency on indirect trade such as wholesale reduces. While our power brands will continue to drive further penetration for higher growth, many innovative launches addressing the consumer need gaps are also in our plans."

AWARDS

Navratna received the prestigious **Flame Awards Asia – 2017** (Gold trophy in the category of 'Promotion & Activation Campaign' and Silver trophy in the category of 'Integrated & Social Development') and **ACEF Awards** (Gold trophy in the category of BTL activities for Innovation and Silver trophy in the category of Events & Promotions) for its campaign 'Navratna Oil – Sukun Ka Safar' at Ujjain Kumbh Mela.

About Emami Ltd

Emami: (NSE: Emami Ltd, BSE: 531162) Emami Ltd, founded in 1974, is one of India's leading FMCG Companies engaged in manufacturing & marketing of personal care & healthcare products.

With over 300 diverse products, Emami's portfolio includes trusted power brands like Navratna, BoroPlus, Fair & Handsome, Zandu Balm & Mentho Plus. In 2015, the Company acquired the business of 'Kesh King' and forayed into the Ayurvedic hair & scalp care segment. Emami products are available in over 4 million retail outlets across India through its network of 3,200+ distributors and its global footprint spans over 60 countries including GCC, Europe, Africa, CIS countries & the SAARC.

Emami has maintained a CAGR turnover of 13% over the last 5 years through its consistent business performance. Emami is well known for its aggressive marketing powered by celebrity endorsements like Amitabh Bachchan, Shah Rukh Khan, Hrithik Roshan, Shahid Kapoor, Madhuri Dixit, Kareena Kapoor Khan, Kangana Ranaut, Yami Gautam, Juhi Chawla, Shruti Haasan, Shilpa Shetty, Bipasha Basu, Sonakshi Sinha, Parineeti Chopra, Mahendra Singh Dhoni, Sourav Ganguly, Mary Kom, Saina Nehwal, Sushil Kumar, Sania Mirza etc over the years.

With a market cap of around Rs. 24,000 cr, Emami Ltd is the flagship Company of the diversified Emami Group.

Please visit <u>www.emamltd.in</u> for further information.

For further information, please contact:

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