

With higher sales and price hikes, Emami eyes 10% topline growth this fiscal

OUR BUREAU

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Despite a slowdown in rural consumption, FMCG company Emami Ltd is looking at 8-10 per cent topline growth this fiscal.

Growth will come on the back of higher volume sales, a 2.5 per cent price hike across the portfolio and cost-cutting initiatives including a reduction in logistics and packaging costs.

According to Mohan Goenka, Director, Emami Ltd, the company witnessed 6 per cent year-on-year topline growth in Q1 FY20, so 8-10 per cent growth is achievable.

Further, raw material costs are expected to go down towards the second half of FY20 and an improvement in rural consumption is also expected with a pick-up in the monsoon, he said on the sidelines of the company's AGM here.

The company is "not taking

an aggressive stand on pricing" this fiscal in view of the slowdown in consumption, he added.

Over the last three or four years, the average price hike across its portfolio has been 4-5 per cent.



MOHAN GOENKA

Mohan Goenka, Director, Emami Ltd DEBASISH BHADURI

Online push

Emami is also planning a separate portfolio across e-commerce and modern trade channels with a focus on the

healthcare and personal care segments. While existing personal care brands can be extended with adjacencies, in the healthcare segment, the company's go-to brand will be Zandu.

Profit jump

Meanwhile, the company reported a consolidated net profit of ₹39 crore for Q1 FY20, a 47 per cent jump over the previous year period. Consolidated revenues stood at ₹649 crore (₹614 crore).