

Emami profit up 10% in December quarter

Domestic sales grow 10%, global business does well

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Improved consumer demand and better growth in the international businesses saw home-grown FMCG company, Emami Ltd, report a 10 per cent growth in net profit to ₹147 crore for the October-December quarter.

Net profit in the corresponding quarter last year stood at ₹134 crore.

Domestic sales, according to NH Bhansali, CEO – Finance Strategy and Business Development and CFO, saw a 10 per cent growth, while international business saw a 16 per cent growth.

The company closed the quarter with a turnover of ₹757 crore, a growth of 10 per cent.

Standalone revenue from operations (including GST),



NH Bhansali, CEO – Finance Strategy and Business Development and CFO, Emami

which stood at ₹801 crore for the period under review, are not comparable with the year-ago-period following a change in the accounting structure.

On the financial front, EBIDTA stood at ₹265 crore, a 2 per cent growth, despite new launches.

Gross margins stood at 69.2 per cent, EBIDTA margins at 35 per cent and PAT (profit after tax) margins at 19.5 per cent in Q3FY-18, the company said in a release.

According to Bhansali, the quarter also saw a gradual revival of demand for the Indian

economy that witnessed major structural reforms since late 2016.

Demonetisation and GST had led to disruptions in wholesale channels.

“We are witnessing a gradual recovery in the wholesale channels although they are yet to return to normalcy post GST. Rural and retail segments are shining and promise a good growth trajectory,” he said.

International business

Growth in the international business was driven by improved performance in CIS and MENAP (Middle East, North Africa and Pakistan) regions.

“Market sentiments in the Middle East countries like Oman and African nations like Egypt are improving. This has led to improved consumer demand,” the CFO said.

International business accounts for nearly 12 per cent of the company's turnover.