

Emami Q2 Net Falls 33% to ₹61 Crore

Our Bureau

Kolkata: Emami Ltd on Thursday reported 33% fall in net profit at ₹ 61 crore for the second quarter ending September, which the company attributed to amortization of intangibles of the recently acquired Kesh King brand for ₹ 61.9 crore.

The makers of Fair & Handsome, Zandu Balm and Boroplus reported 17% jump in net sales at ₹ 574.62 crore during the quarter over the same period last fiscal. Harsha V Agarwal, director at Emami, said the newly acquired brand Kesh King has made considerable contribution to the overall topline growth in the first quarter of its integration. As per the presentation to

the Bombay Stock Exchange (BSE), Kesh King contributed 10% to Emami's domestic sales during the quarter.

"This competitive performance was delivered despite the subdued consumer sentiment and an untimely monsoon. However, we are expecting a gradual uptick in consumer demand in the next two quarters," Agarwal said. Emami had acquired the hair and scalp care brand Kesh King for ₹ 1,684 crore in June, one of the largest deals in the Indian FMCG space in recent years. Emami raised around ₹ 950 crore debt to partially fund the acquisition, while the balance was funded by internal accruals.

The Emami scrip fell by 3.04% at ₹ 1049.6 on the BSE on Thursday.