

Emami posts ₹140-crore standalone profit in third quarter

OUR BUREAU

Kolkata, January 30

FMCG major Emami Ltd reported a near 7 per cent growth in standalone net profit to ₹140 crore for the third quarter ending December 2016. The company had reported a net profit of ₹131 crore in the corresponding quarter in the previous year.

Demonetisation, however, impacted the company's standalone turnover during the quarter under review which remained more or less flat at ₹682 crore.

According to NH Bhansali, CEO - Finance, Strategy and Business Development, the company's growth in profit came mostly on account of reduction in cost of goods sold and other cost cutting measures taken up.

Cash profit (that includes profit after tax, depreciation and amortisation) saw an over 9 per cent jump to ₹221 crore against ₹202 crore in the year-ago-period.



NH Bhansali, CEO - Finance, Strategy and Business Development, Emami

Earnings before interest, depreciation, taxes and amortisation (EBIDTA) margins grew by 7 per cent for Q3.

On a consolidated basis, Emami Ltd reported a near flat net profit of ₹134 crore and a near flat total income from operations at ₹726 crore, for the quarter under review.

According to Mohan Goenka, Director, the liquidity crunch and sales channel disruption im-

acted the offtake of some of its brands in the domestic market. This apart, the challenging geopolitical situation in West Africa, Africa and other countries impacted the international performance to some extent.

"With the demonetisation situation improving and the consumer sentiment getting back on track gradually, Emami is poised to target a good performance in days to come," he added. Emami stock closed at ₹1014.45, up by 0.57 per cent, on the BSE, on Monday.