

Headline: GCPL Q2 net up 12 per cent at INR 362 crore on higher income, volume growth

Description: Despite channel disruptions due to GST, GCPL delivers 10 per cent volume growth and a strong EBITDA growth of 24 per cent

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FMCG major Godrej Consumer Products Ltd today reported a 12.56 per cent increase in its consolidated net profit to INR 361.95 crore for the September quarter on higher income and volume growth.

It had posted a net profit of INR 321.54 crore during the July-September quarter of last fiscal, Godrej Consumer Products Ltd (GCPL) said in a regulatory filing.

Net sales (including excise duty) during the quarter under review stood at INR 2,496.93 crore as against INR 2,436.64 crore in the year-ago period, up 2.47 per cent.

“In India, we remained agile and navigated the GST driven channel disruptions well to deliver 10 per cent volume growth (on a base of 9 per cent growth in 2QFY17), alongside delivering a strong EBITDA growth of 24 per cent,” GCPL Executive Chairperson Nisaba Godrej said.

Revenue from Indian operations during the period was INR 1,363.78 crore, compared to INR 1,319.46 crore during the same period last fiscal.

Revenues from Indonesia and Africa during the quarter were INR 321.64 crore and INR 557.58 crore respectively, as against INR 367.11 crore and INR 515.20 crore.

“At a consolidated level, our sales grew by 10 per cent, driven by 11 per cent sales growth in India and 9 per cent sales growth in our international business, in constant currency terms,” Godrej said.

The company said growth to some extent was impacted by weakness in the bottom of pyramid formats such as coils, which are more dependent on the wholesale channel.

International business delivered constant currency sales growth of 9 per cent driven by Africa, Latin America and Europe, GCPL added.

Meanwhile, the company’s board has declared an interim dividend INR 1 per share of face value of INR 1 each for the financial year 2017-18.

On the outlook, Godrej said: "We remain relentlessly focused on becoming more agile, increasing the pace of innovations, enhancing our go-to-market approach and investing in our key talent, to continue to outperform the market and deliver industry-leading returns."

The GCPL stock was trading 3.44 per cent up at INR 966.50 on BSE.