

Headline:

GCPL Q4 profit rises 21%, Nisaba Godrej new executive chairperson

Description: The company's profits jumped 21% to INR 253 crore in the March quarter, indicating recovery from the impact of demonetisation

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Godrej Consumer Products Ltd (GCPL) on Tuesday reported a 20.8% year-on-year jump in Q4 net profit to INR 253.09 crore, indicating that the personal and home care giant is recovering from the adverse impact of demonetisation.

GCPL also announced a bonus share issue in 1:1 ratio, which means every shareholder will receive an additional share for each one held. These shares will be issued from the company's securities premium worth INR 1,452.30 crore. A record date for the issue is yet to be announced.

GCPL also announced a fourth interim dividend of INR 12 per share for FY2016-17 which will be paid out by 31 May 2017. With this, the total dividends paid out for this fiscal year will be INR 15 per share.

Executive director Nisaba Godrej also took over GCPL's leadership, assuming the position of Executive Chairperson, while her father Adi Godrej will now be the Chairman Emeritus. Managing Director and Chief Executive Officer Vivek Gambhir will continue in the same role.

GCPL saw a 10.3% increase in its total income for the quarter, as the company's India business grew 10% to sales worth INR 1,326 crore, primarily led by 13% growth in hair colour to sales worth INR 171 crore and 33% growth in "other brands" which includes air freshener brand Godrej Aer. In a statement, GCPL said Aer now ranks number 1 in the so-

called air care market.

“Post remonetisation, we are seeing a good recovery in FMCG demand in India,” chairman Adi Godrej said in a statement. “We are hopeful that a timely and successful implementation of the transformative Goods & Service Tax (GST) will spur stronger growth for the sector in the second half of fiscal year 2018.”

GCPL’s international business grew 16% in net sales largely led by 47% growth in its Africa business as the company acquired US-based hair care brand Strength of Nature that makes most of its sales in Africa and the Caribbean. The Latin American business also grew 19%, while Indonesian sales remained flat and Europe de-grew by 5%.