

Headline: GCPL Q2 net up 44% at INR 318 crore

Description: The company had reported a net profit of INR 221 crore in the same quarter of FY16

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Godrej Consumer Products Ltd (GCPL) today reported a jump of about 43.7 per cent in its consolidated net profit of Rs. 318.12 crore for the second quarter ended September 30, 2016-17.

It had reported a net profit of Rs. 221.43 crore in the July-September period of 2015-16, GCPL said in a BSE filing.

Its consolidated total income from operations was up 11.01 per cent during the quarter under review to Rs. 2,439.35 crore as against Rs. 2,197.28 crore a year ago.

Its total expenses were up 10.94 per cent to Rs. 2,009.27 crore as against Rs. 1,811.05 crore in the second quarter of the last fiscal.

“We have delivered a relatively strong operating performance in the second quarter of fiscal year 2017, with consolidated constant currency sales growth of 15 per cent and constant currency EBITDA growth of 17 per cent. We continue to deliver EBITDA growth ahead of sales growth, despite a strong base from the previous year,” said Godrej Group Chairman Adi Godrej.

GCPL’s revenue from the India market was up 7.13 per cent at Rs. 1,319.46 crore as against Rs. 1,231.55 crore during the period, while the contribution from global markets was Rs. 1,144.09 crore, up 15.51 per

cent, as against Rs. 990.45 crore.

“Our international business grew by 25 per cent on a constant currency business. We delivered strong growth in Africa and Latin America. Our Indonesian business experienced temporary challenges due to an adverse season for Household Insecticides,” he said.

GCPL’s revenue from its Indonesian business was Rs. 367.11 crore, up 6 per cent as against Rs. 346.32 crore in the corresponding quarter of last fiscal.

“Our Indonesia business constant currency sales declined by 2 per cent due to the overall macroeconomic slowdown and adverse weather impact in Household Insecticides,” the company said.

Revenue from Africa, which also includes Strength of Nature, was Rs. 508.18 crore, up 58.19 per cent to Rs. 321.24 crore.

While the contribution from other markets was down 16.75 per cent to Rs. 268.80 crore as against Rs. 322.89 crore.

“The significant devaluation in several emerging market currencies also impacted our reported growth,” said Godrej.

In the first half of 2016-17, GCPL’s consolidated net profit was up 68.16 per cent to Rs. 563.38 crore as against Rs. 335.02 crore in the year-ago period.

GCPL’s consolidated total income in the first half of the current fiscal was up 8.76 per cent at Rs. 4,633.54 crore as against Rs. 4,259.95 crore in the same period last year.

The GCPL stock was trading at Rs. 1,528, down 0.20 per cent on the BSE.