



**emami\* limited**

Date: 29th October, 2021

The Secretary  
The National Stock Exchange of India Ltd.  
Exchange Plaza, Plot No. C/1, G. Block  
Bandra Kurla Complex, Bandra (E)  
Mumbai - 400 051

The Secretary  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai - 400 001

Dear Sirs,

**Sub: Press Release**

Enclosed please find the Press Release in relation to the Unaudited Financial Results of the Company for the second quarter ended 30<sup>th</sup> September, 2021.

This is for your information and record.

Thanking You,  
Yours Sincerely,  
**For Emami Limited**

**A. K. Joshi**  
**Company Secretary & VP- Legal**  
(Encl. : As above)

# Emami continues strong profit led growth

PAT growth of 56% in Q2FY22

## Q2FY22 HIGHLIGHTS

- ❖ **7% growth in Net Sales; 2 year CAGR of 10%**
  - Revenue from Operations grew by 7%; **2 year CAGR of 9%**
  - 9% growth in Domestic Business Net Sales; 2 year CAGR of 11%
- ❖ **Profits grew steadily despite input cost impact**
  - 8% growth in EBIDTA; Margins expanded by 10 bps
  - 56% growth in PAT; Margins expanded by 740 bps
  - 15% growth in Cash Profits\*; Margins expanded by 240 bps
- ❖ **Board of Directors declare Interim Dividend at 400% i.e. Rs. 4/- per equity share**
- ❖ **Brillare Science Pvt Ltd becomes a Subsidiary of Emami Ltd on conversion of CCPS into equity shares. Shareholding of the company increased from 34.70% to 57.36%**

*\*Cash Profit= PAT+ Depreciation & Amortization*

*Note: All financial figures are based on Consolidated Financials.*

**Kolkata, Friday 29<sup>th</sup> October 2021:** The Board of Directors of Emami Limited met on Friday, 29<sup>th</sup> October 2021 to consider the Unaudited financial results of the company for the second quarter and half year ended 30<sup>th</sup> September 2021.

During the quarter, demand trends remained steady for most of our brands despite a high base in previous year. While Domestic Business grew by 9%, Consolidated Revenues at Rs. 789 cr, posted a 2 year CAGR growth of 9% and a growth of 7% over the previous year.

In the Domestic Business, BoroPlus, grew by 29%, Male Grooming range grew by 15%, Kesh King grew by 15% and 7 Oils in One grew by 50%. Notwithstanding a large base of previous year, Pain Management range grew by 6% , i.e. a 2 year CAGR of 18% and Healthcare Range grew by 5% which translates into a 2 year CAGR of 26%. Navratna, which declined by 9% during the quarter, on a year on year basis; however grew by 2% on a 2 year CAGR basis.

During the quarter, Modern trade grew by 31% and ecommerce continued its robust run growing by 2.2 times. In Q2FY22, ecommerce business increased its contribution by 210 basis points to 4% of domestic revenues.



In the first half of the financial year, the Company's rural presence was increased in additional 5200 towns through Project Khoj. Revenues through Standalone Modern Trade outlets also grew strongly on account of the Company's strong focus on the channel. The company also expanded its healthcare outlet reach by 22,000 outlets in H1FY22.

During the quarter, the Company roped in Sonu Sood for endorsing Zandu Balm and launched TV and print campaign "Chale Chalo" and also started a digital campaign with the celebrity, recognising real life heroes. The Company also launched a print, TV and digital campaign with the world-renowned wrestler "Khali", establishing Zandu Balm Ultra Power as "Kadak Balm" (Strong Balm). The company also launched light & non-sticky BoroPlus SOFT Ayurvedic Antiseptic Cream during the quarter, targeting younger female consumers between 25-35 years.

The company posted strong profitable growth during the quarter despite high input cost pressure. Gross margins at 68.8% contracted by 150 basis points over previous year. However, EBIDTA at Rs. 277 cr grew by 8% and EBIDTA margins at 35.1% also expanded by 10 basis points. PAT at Rs. 185 cr grew by 56% with PAT Margins at 23.5% expanding by 740 basis points. Cash Profits at Rs. 269 cr also grew by 15% and Cash Profit Margins at 34.1% expanded by 240 basis points.

Over last to last year, i.e. Q2FY20, Gross Margins were lower by 90 basis points. EBIDTA grew by 44% and EBIDTA margins also expanded by 590 basis points. PAT grew by 93% and PAT margins also expanded by 900 basis points while Cash Profits grew by 51% and Cash Profit margins also expanded by 720 basis points.

**Mr Mohan Goenka, Director, Emami Limited said:**

*"We are happy to have been able to maintain our growth trajectory to post a growth of 9% in our domestic business, led by volume growth of 6%. Our core portfolio of brands continued to perform well during the quarter. Despite the wane in the demand for healthcare and immunity products currently, our healthcare range and pain management range continues to witness a strong growth, with a 2 year CAGR of 26% and 18% respectively."*

**Mr Harsha V Agarwal, Director, Emami Limited said:**

*"We are happy that we have been able to grow our net sales and EBIDTA at a 2-year CAGR of 10% and 20% respectively. This demonstrates the strength of our core brands and their extensions. Further, notwithstanding the input cost pressure and reducing gross margins, we have been able to maintain our EBIDTA margins with judicious cost optimisation measures. We will continue to strengthen our core brands, invest in new brands and extensions, leverage new engines of growth including new age D2C and e-commerce platforms to reach critical mass and remain constant in our growth trajectory."*



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### **About Emami Ltd**

Emami: (NSE: EMAMILTD, BSE: 531162) Emami Ltd, founded in 1974, is one of India's leading FMCG Companies engaged in manufacturing & marketing of personal care & healthcare products.

With over 300 diverse products, Emami's portfolio includes trusted power brands like Navratna, BoroPlus, Fair & Handsome, Zandu Balm & Mentho Plus. In 2015, the Company acquired the business of 'Kesh King' and forayed into the Ayurvedic hair & scalp care segment. In, 2019, the company acquired Creme 21, a German brand with strong roots & brand recall. Emami products are available in over 4.5 million retail outlets across India through its network of ~3250 distributors and its global footprint spans over 60 countries including GCC, Europe, Africa, CIS countries & the SAARC.

Emami is well known for its aggressive marketing powered by celebrity endorsements like Amitabh Bachchan, Pt Birju Maharaj, Shah Rukh Khan, Salman Khan Hrithik Roshan, Shahid Kapoor, Madhuri Dixit, Katrina Kaif, Kareena Kapoor Khan, Yami Gautam, Kangana Ranaut, Shilpa Shetty, Sonakshi Sinha, Shruti Haasan, Juhi Chawla, Vidyut Jamwal, Kartik Aryaan, Varun Dhawan, Milkha Singh, Tiger Shroff, Sachin Tendulkar, Surya, Jr. NTR, Sania Mirza, Saina Nehwal, Bipasha Basu etc over the years.

With a market cap of around ~Rs. 24,000 cr, Emami Ltd is the flagship Company of the diversified Emami Group. Please visit [www.emamilttd.in](http://www.emamilttd.in) for further information.

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### **For further information, please contact :**

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