emami limited

Date: 27th May, 2019

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

The Secretary
The Calcutta Stock Exchange Limited
7, Lyons Range
Kolkata - 700 001

Dear Sir,

Pursuant to Provisions of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith copy of presentation on Company's Overview.

The aforesaid information is also is also disclosed on the website of the company www.emamiltd.in

This is for your information and records.

Thanking you,

Yours faithfully,
For Emami Limited

A. K. Joshi

Company Secretary & VP-Legal

(Encl. : As above)

regd. office : 687 anandapur e. m. bypass kolkata 700107 india
phone: 91 33 6613 6264 tele fax: 91 33 6613 6600 e-mail: contact@emamigroup.com website: www.emamiltd.in
CIN: L63993WB1983PLC036030

emami limited

Making people healthy & beautiful, naturally

Q4 & FY19 Performance Update

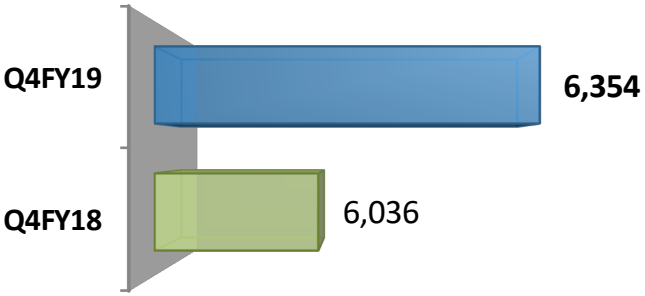
27th May 2019

Q4FY19 Snapshot (Consolidated)

₹ in Millions

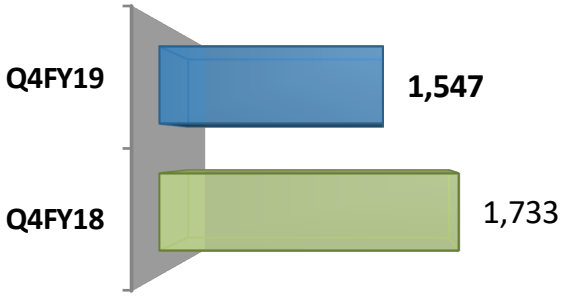
Net Sales*

+ 5 %



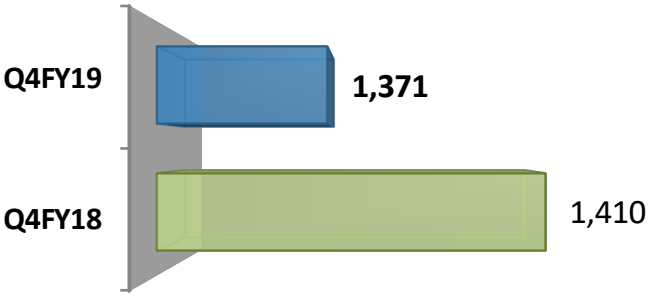
EBIDTA

- 11 %



Cash Profit

- 3 %



**Revenue from Operations (which includes Other Operating Income) at Rs.6,396 mn grew by 4% in Q4FY19*

- **Demand slowdown in Domestic business impacted growth in Q4**
  - Extended winter impacted the sales of summer products which account for >40% domestic business during the quarter;
  - Weak rural sentiment due to low agri-price inflation;
  - Adverse liquidity conditions witnessed

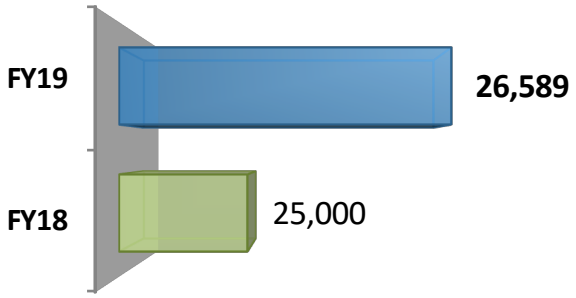
- **Higher RM Costs impacted profitability**
  - Menthol & LLP prices increased during the year
  - However, prices have cooled off from their peak.

FY19 Snapshot (Consolidated)

₹ in Millions

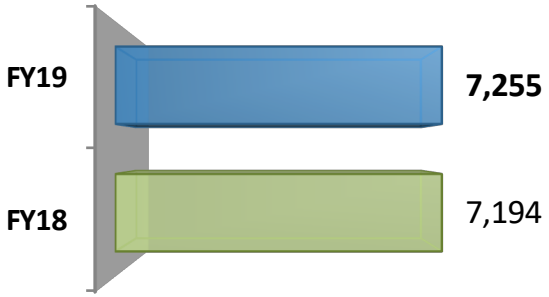
Net Sales*

+ 7 %**



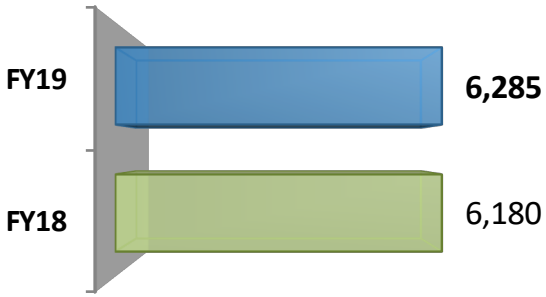
EBIDTA

+ 1 %



Cash Profit

+ 2 %



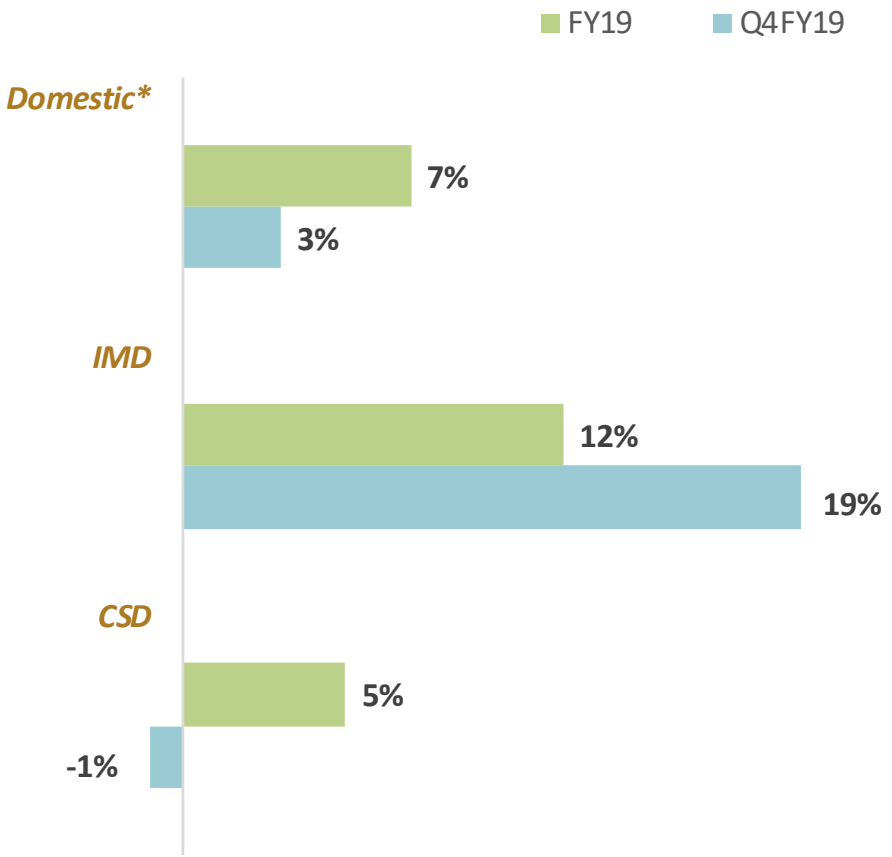
**Revenue from Operations (which includes Other Operating Income) at Rs. 26,929 mn in FY19 grew by 6%.*
***FY19 Net Sales is LTL growth (adjusted for GST in Q1)*

- **Kesh King, Healthcare range post strong growth after strategic initiatives in H2FY19**
  - Kesh King grew by 20% in H2FY19 (15% decline in FY18)
  - Zandu Healthcare grew by 13% in H2FY19 (9% decline in FY18)

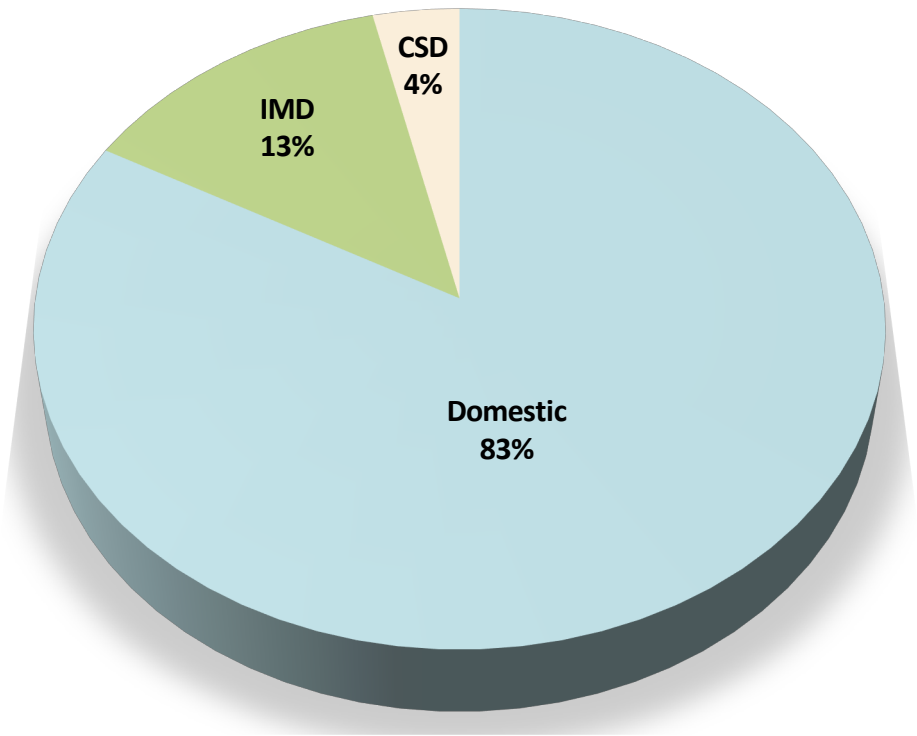
- **Maintained profits despite higher RM costs and exceptional items**
  - Materials cost increased by 200bps
  - ₹ 9.8 cr incurred towards VRS paid in Q3FY19

Business Performance

BUSINESS WISE NET SALES PERFORMANCE



FY19 Business Wise Sales Split



**Note: FY19 Domestic Net sales & Brand wise sales is LTL growth (adjusted for GST in Q1)*

Navratna

- Grew by **1%** during the quarter and by **8%** in FY19
  - Sales impacted due to extended winters in Q4FY19.
  - Cool Oils Market Share (vol) at **66.3%** increased by **140 bps** in Q4 and by **220 bps** in FY19 with Market share of **66.1%**
  - Roped in **Varun Dhawan** to endorse **Navratna Cool**

Pain Management

- Pain management range grew by **1%** in Q4 and by **7%** in FY19.
  - Balms Market Share (vol) at **54.8%** increased by **140 bps** in Q4FY19 and maintained leadership with a Market Share (vol) of **54.1%** in FY19

BoroPlus

- Grew by **17%** in Q4 and by **2%** in FY19.
  - Antiseptic cream maintained leadership with a Market Share (vol) of **73.5%** in Q4FY19 and **73.3%** in FY19

Kesh King

- Grew by **15%** in Q4 and by **13%** in FY19.
  - Q4FY19 Market Share (vol) at **26.4%** grew by **220 bps** and by **200 bps** in FY19 with Market share of **25.8%**

Healthcare range

- Healthcare range grew by **9%** in Q4 and by **12%** in FY19
  - Growth led by Nityam and Generics & Ethicals

Male Grooming

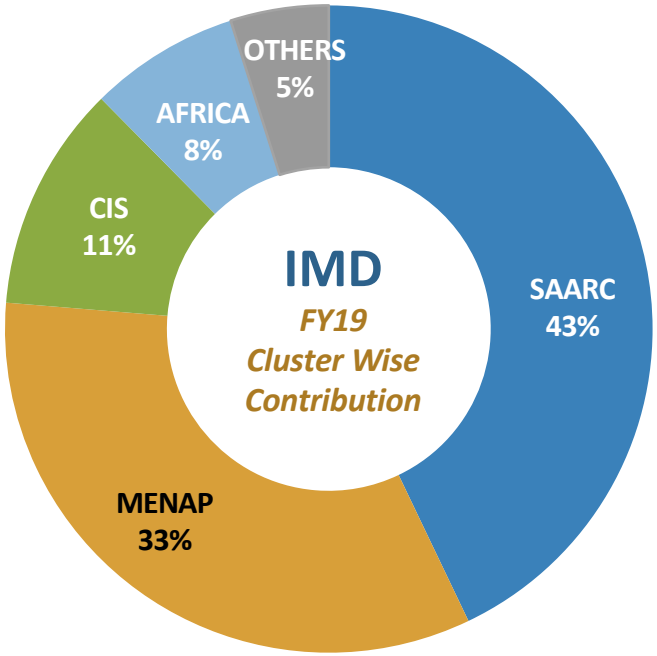
- Male grooming range declined by **4%** in Q4. However, it grew by **3%** in FY19.
  - Fairness creams maintained leadership with a Market Share (vol) of **64.7%** in Q4FY19 and **65.0%** in FY19.
  - Fairness Face wash Market Share (vol) at **14.7%** grew by **90 bps** in Q4FY19 and by **60 bps** in FY19 with a Market share of **14.4%**
  - **Launched HE Magic Duo, a unique deodorant that packs two fragrances in one bottle**

7 Oils in One

- 7 Oils in One grew by **24%** in Q4 and by **29%** in FY19.

International Business

- Sales grew by **19%** in Q4 and grew by **12%** in FY19.
  - Excluding Creme 21, sales grew by **13%** in Q4 and by **10%** in FY19.
  - SAARC and MENAP regions performed well during the quarter
  - Market share gains across key geographies
  - Realigning marketing strategy and product formulations for Creme 21, (acquired in Jan'19) along with geographic expansion plans. Expect to post strong growth in coming quarters.



SAARC	South Asian Association for Regional Cooperation *(Major countries – Bangladesh, Nepal, Sri Lanka etc.)*
SEA	South East Asia *(Major countries – Malaysia, Myanmar & Singapore)*
MENAP	Middle East, North Africa & Pakistan *(Major countries – UAE, Qatar, Oman, Kuwait, Bahrain etc.)*
CIS	Commonwealth of Independent States *(Major Countries – Russia, Ukraine etc.)*

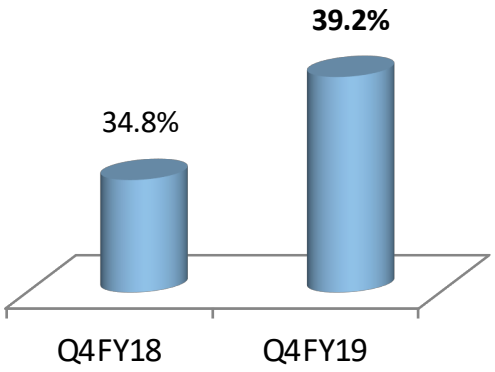
Financial Analysis

Earnings analysis for Q4 & FY19

Q4FY19 Financial analysis

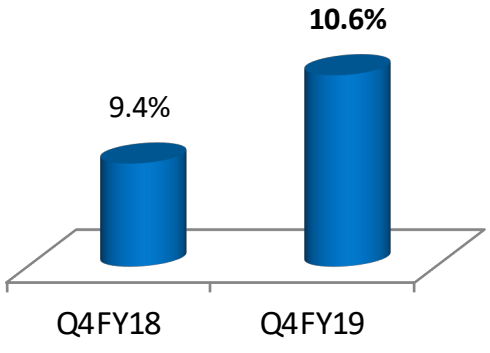
Cost of Goods Sold
(as a % of Sales)

+ 440 bps



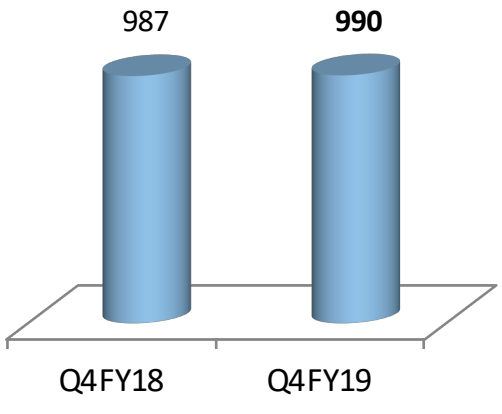
Staff Costs
(as a % of Sales)

+ 130 bps



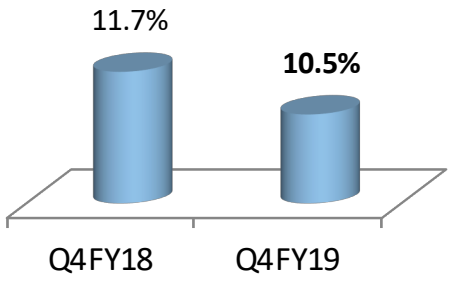
A&P Spends
(₹ in Millions)

-50 bps

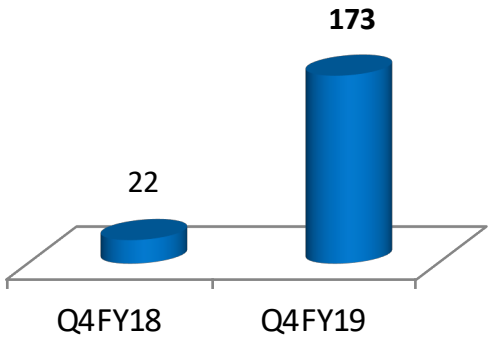


Admin & Other Exp
(as a % of Sales)

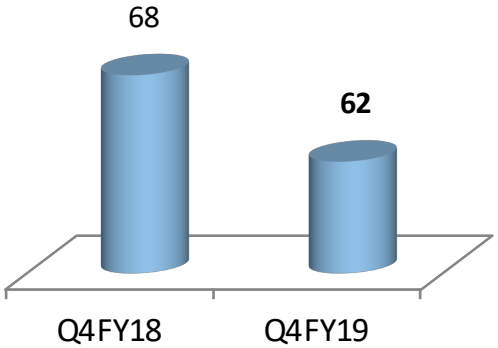
- 90 bps



Other Income
(₹ in Millions)



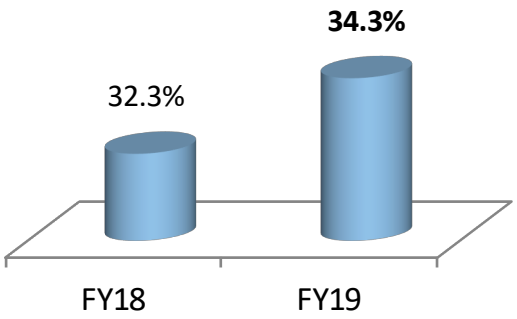
Interest Paid
(₹ in Millions)



FY19 Financial analysis

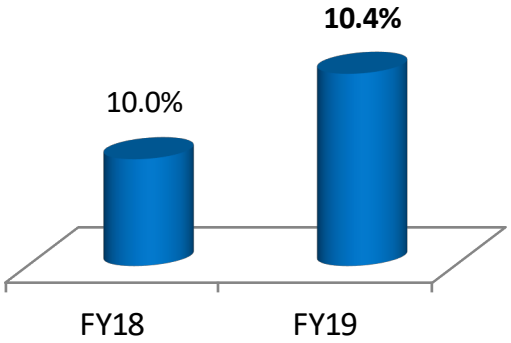
Cost of Goods Sold
(as a % of Sales)

+ 200 bps



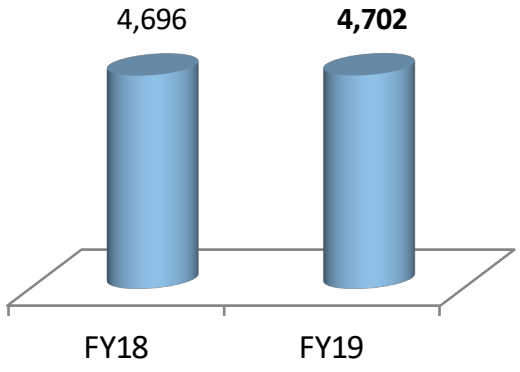
Staff Costs
(as a % of Sales)

+ 40 bps



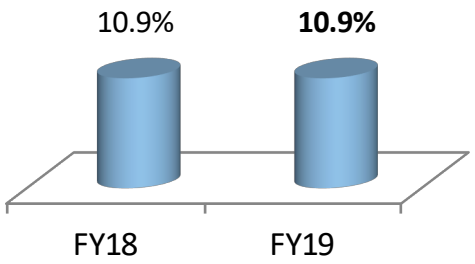
A&P Spends
(₹ in Millions)

- 100 bps

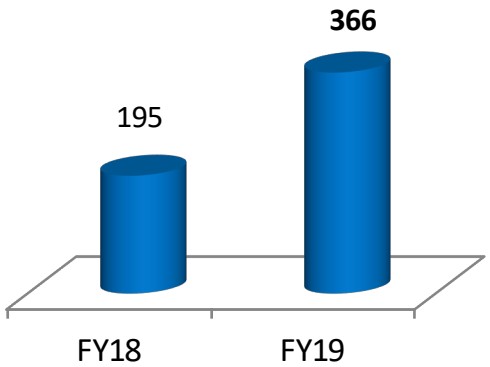


Admin & Other Exp
(as a % of Sales)

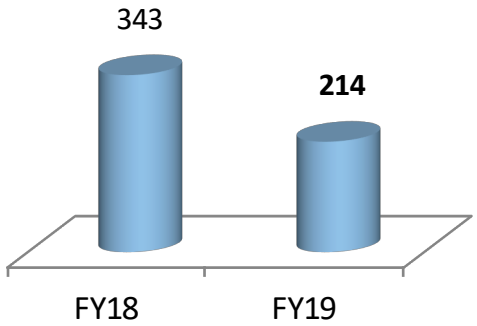
+0 bps



Other Income
(₹ in Millions)



Interest Paid
(₹ in Millions)



Q4FY19 Summarized Financials

₹ in Millions

Particulars	Q4FY19	%	Q4FY18	%	Growth %	FY19	%
Net Sales	**6,354.2**	**99.3%**	**6,035.5**	**97.8%**	**5.3%**	**26,589.2**	**98.7%**
Other Operating Income	42.2	0.7%	134.2	2.2%	-68.6%	340.2	1.3%
Revenue from Operations	**6,396.4**	**100.0%**	**6,169.7**	**100.0%**	**3.7%**	**26,929.4**	**100.0%**
Materials Cost	2,507.7	39.2%	2,148.8	34.8%	16.7%	9,230.1	34.3%
A&P	989.8	15.5%	987.0	16.0%	0.3%	4,701.8	17.5%
Staff Cost	680.9	10.6%	580.2	9.4%	17.4%	2,797.2	10.4%
Admn & Other Exp	670.8	10.5%	721.2	11.7%	-7.0%	2,945.0	10.9%
EBIDTA	**1,547.2**	**24.2%**	**1,732.5**	**28.1%**	**-10.7%**	**7,255.3**	**26.9%**
Other Income	172.6	2.7%	21.6	0.4%	699.1%	365.9	1.4%
Interest	62.1	1.0%	67.6	1.1%	-8.1%	214.0	0.8%
Amortisation of acquired TM's/ brands	650.3	10.2%	601.5	9.7%	8.1%	2,485.0	9.2%
Depreciation/Amortisation of other assets	159.7	2.5%	206.6	3.3%	-22.7%	768.2	2.9%
PBT before Exceptional Items	**847.7**	**13.3%**	**878.4**	**14.2%**	**-3.5%**	**4,154.0**	**15.4%**
Exceptional Items	-	0.0%	-	0.0%	0.0%	98.0	0.4%
PBT	**847.7**	**13.3%**	**878.4**	**14.2%**	**-3.5%**	**4,056.0**	**15.1%**
Tax	279.8	4.4%	269.8	4.4%	3.7%	1,008.8	3.7%
PAT	567.9	8.9%	608.6	9.9%	-6.7%	3,047.2	11.3%
Share of Minority Interest & P/L of Associate	(6.4)	-0.1%	(6.3)	-0.1%	1.6%	(14.9)	-0.1%
PAT After Minority Interest & Associate	**561.5**	**8.8%**	**602.3**	**9.8%**	**-6.8%**	**3,032.3**	**11.3%**
Cash Profit (PAT + Dep. & Amortization)	**1,371.5**	**21.4%**	**1,410.4**	**22.9%**	**-2.8%**	**6,285.5**	**23.3%**
EPS - Rs.	1.24		1.33			6.68	
Cash EPS- Rs.	3.02		3.11			13.85	

FY19 Summarized Financials

₹ in Millions

Particulars	FY19	%	FY18	%	Growth %
Net Sales	**26,589.2**	**98.7%**	**25,000.1**	**98.4%**	**6.4%**
Other Operating Income	340.2	1.3%	408.2	1.6%	-16.7%
Revenue from Operations	**26,929.4**	**100.0%**	**25,408.3**	**100.0%**	**6.0%**
Materials Cost	9,230.1	34.3%	8,201.3	32.3%	12.5%
A&P	4,701.8	17.5%	4,696.0	18.5%	0.1%
Staff Cost	2,797.2	10.4%	2,546.5	10.0%	9.8%
Admn & Other Exp	2,945.0	10.9%	2,770.1	10.9%	6.3%
EBIDTA	**7,255.3**	**26.9%**	**7,194.4**	**28.3%**	**0.8%**
Other Income	365.9	1.4%	195.0	0.8%	87.6%
Interest	214.0	0.8%	343.1	1.4%	-37.6%
Amortisation of acquired TM's/ brands	2,485.0	9.2%	2,435.8	9.6%	2.0%
Depreciation/Amortisation of other assets	768.2	2.9%	672.8	2.6%	14.2%
PBT before Exceptional Items	**4,154.0**	**15.4%**	**3,937.7**	**15.5%**	**5.5%**
Exceptional Items	98.0	0.4%	-	0.0%	100.0%
PBT	**4,056.0**	**15.1%**	**3,937.7**	**15.5%**	**3.0%**
Tax	1,008.8	3.7%	862.6	3.4%	16.9%
PAT	3,047.2	11.3%	3,075.1	12.1%	-0.9%
Share of Minority Interest & P/L of Associate	(14.9)	-0.1%	(3.7)	0.0%	302.7%
PAT After Minority Interest & Associate	**3,032.3**	**11.3%**	**3,071.4**	**12.1%**	**-1.3%**
Cash Profit (PAT + Dep. & Amortization)	**6,285.5**	**23.3%**	**6,180.0**	**24.3%**	**1.7%**
EPS - Rs.	6.68		6.77		
Cash EPS- Rs.	13.85		13.61		

Summarized Balance Sheet

₹ in Millions

S.N.	PARTICULARS	Consolidated Audited As at 31.03.2019	Consolidated Audited As at 31.03.2018
	EQUITY AND LIABILITIES		
	Equity		
(a)	Equity Share capital	454	227
(b)	Other Equity	20,307	19,909
	Total Equity attributable to owners of the company	**20,761**	**20,136**
(c)	Non-Controlling Interest	(2)	6
	Total Equity	**20,759**	**20,142**
	LIABILITIES		
1	**Non-Current Liabilities**		
(a)	**Financial Liabilities**		
	(i) Other Financial Liabilities	69	83
(b)	**Provisions**	200	238
(c)	**Deferred tax liabilities (Net)**	160	147
(d)	**Other Non-Current Liabilities**	237	258
		666	**726**
2	**Current liabilities**		
(a)	**Financial Liabilities**		
	(i) Borrowings	1,099	3,259
	(ii) Trade Payables		
	Total oustanding dues of Micro, Small & Medium Enterprises (MSME)	30	13
	Total oustanding dues of creditors Others than MSME	2,883	2,407
	(iii) Other Financial Liabilities	1,326	598
(b)	**Other Current Liabilities**	245	222
(c)	**Provisions**	1,153	622
(d)	**Current Tax Liabilities (Net)**	63	19
		6,799	**7,139**
	Total Equity and Liabilities	**28,224**	**28,007**

S.N.	PARTICULARS	Consolidated Audited As at 31.03.2019	Consolidated Audited As at 31.03.2018
	ASSETS		
1	**Non -Current Assets**		
(a)	**Property, Plant and Equipment**	7,490	7,446
(b)	**Capital work-in-progress**	352	226
(c)	**Investment Property**	548	559
(d)	**Goodwill on Consolidation**	41	41
(e)	**Other Intangible Assets**	8,722	9,975
(f)	**Intangible assets under development**	11	79
(g)	**Financial Assets**		
	(i) Investments		
	(a) Investment in Associate	160	182
	(b) Others	1,631	1,673
	(ii) Loans	142	119
	(iii) Other Non-Current Financial assets	291	272
(h)	**Deferred tax Assets (net)**	38	29
(i)	**Other Non-Current Assets**	177	273
		19,730	**21,000**
2	**Current assets**		
(a)	**Inventories**	2,217	1,940
(b)	**Financial Assets**		
	(i) Investments	79	1,281
	(ii) Trade Receivables	2,164	1,559
	(iii) Cash & Cash Equivalents	1,165	162
	(iv) Bank Balances other than (iii) above	869	633
	(v) Loans	47	30
	(vi) Other Financial Assets	498	568
(c)	**Other Current Assets**	1,455	836
		8,493	**7,008**
	Total Assets	**28,224**	**28,007**

Net Cash of ₹ 1014 mn

Awards & Accolades

- Received the prestigious **'Golden Peacock Innovative Product/Service Award'** for the year 2019 for "Kesh King Oil Applicator"

- Boroplus ranked **91st** among the **Top 100 Brands** in the **Economic Times Brand Equity -Most Trusted Brands, 2018** survey conducted by Nielsen across categories

  - BoroPlus, Zandu, Navratna and Fair and Handsome were also ranked 25th, 27th, 30th and 50th positions in the Health & Personal Care Category respectively

Thank you