



(/)

Contact Us (/contact-us.aspx) **Godrej Group**
(javascript:void(0);)
Search India ▼

[About \(/about-us.aspx\)](#) [Brands](#)
[Regions \(/regions.aspx\)](#)
[Careers \(https://www.godrejcareers.com/Default.aspx?company=godrej_consumer_products\)](#)
[Sustainability \(/good-and-green.aspx\)](#) [Investors \(/investors.aspx\)](#)
[Media \(/media.aspx\)](#)
[Media \(/Media.aspx\)](#) / [Press Releases \(/Press-releases.aspx\)](#)

GCPL 4Q FY 2018 results

08 May 2018

Godrej Consumer Products Limited (GCPL), a leading emerging markets FMCG company, today announced its financial results for the quarter ended March 31, 2018.

FINANCIAL OVERVIEW

4Q FY 2018 FINANCIAL PERFORMANCE SUMMARY:

- 4Q FY 2018 consolidated constant currency sales increased by 6%* year-on-year
 - India business sales growth of 7%* year-on-year, led by 6% volume growth
 - International business sales growth of 6% year-on-year, on a constant currency basis
- 4Q FY 2018 consolidated constant currency EBITDA increased by 14%
- 4Q FY 2018 consolidated net profit and EPS (without exceptional items) increased by 12%
- The board has declared an interim dividend of 700% (INR 7.00 per share)

*Comparable growth assuming GST in the base quarter sales

CHAIRMAN'S COMMENTS

Commenting on the financial performance of 4Q FY 2018, Ms. Nisaba Godrej, Executive Chairperson, GCPL, said:

"During fiscal year 2018, our focused strategy and balanced portfolio enabled us to deliver competitive, profitable growth, despite tough operating conditions in a few of our categories and geographies. Our constant currency sales increased by 9% and EBITDA increased by 12%, led by robust gross margin expansion. We continue to make healthy investments in strengthening our brands and enhancing our capabilities for sustainable future growth."*

In the fourth quarter of fiscal year 2018, we had a mixed performance with relatively softer sales growth, while sustaining robust EBITDA growth. Our India business delivered a competitive 7% comparable growth, driven by a volume growth of 6%. Our secondary sales growth was higher at 10%. The performance in our international portfolio was relatively muted due to the weakness in Indonesia and Africa. However, we expect to see a strong turnaround in growth rates in fiscal year 2019. We are planning for significant new launches and go-to-market initiatives across clusters. Overall, we are confident of delivering a stronger performance in fiscal year 2019."

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."

BUSINESS REVIEW - INDIA

Performance Highlights

- 4Q FY 2018 India sales increased by 7%* to INR 1,329 crore
- 4Q FY 2018 Adjusted EBITDA increased by 22% to INR 383 crore
- 4Q FY 2018 net profit increased by 18% to INR 295 crore

Category Review

Household Insecticides

Household Insecticides had a subdued quarter with a sales decline of 5%* due to an adverse season in January-February 2018. However, our average growth rates are back to double digits for March-April 2018. Our recent launch in Personal Repellents is scaling up well, with double-digit market share in out of home segment. Towards the end of the quarter, we also launched a higher efficacy liquid vapouriser under the Goodknight brand.

Soaps

Soaps continued its strong, double-digit growth momentum and delivered a growth of 19%*. This was led by strong double-digit volume growth. This robust growth was driven by effective micro-marketing initiatives, variants-led strategy and strong on-ground execution. It was supported by healthy brand investments driving growth in Godrej No. 1 and Cinthol. We have also continued to gain market share during the quarter.

QUICK LINKS

[News \(/news.aspx\)](#)
[Press Releases \(/press-releases.aspx\)](#)
[Electronic Media \(/electronic-media.aspx\)](#)
[Contact us \(/contact-us.aspx\)](#)
[Quarterly Newsletters \(/quarterly-newsletter.aspx\)](#)
[Sign up for press releases \(/sign-up-for-press-releases.aspx\)](#)
[Subscribe to Newsletter \(http://eepurl.com/bQisLb\)](#)

Hair Colours

Our Hair Colours business grew by 3%, following 33% growth in 3QFY18, driven by channel up-stocking post GST led MRP cuts. However, sales growth in 2HFY18 stood at 18%. Godrej Expert Rich Crème continues to improve penetration and gain market share.

Air Fresheners

Godrej aer continues to maintain its leadership position in the overall Air Care market and gain share, aided by innovations and strong execution.

BUSINESS REVIEW - INTERNATIONAL**Indonesia**

Our Indonesia business sustained its robust margin expansion and regained all lost market share in Household Insecticides, with exit market share of over 50%. Constant currency sales declined by 6% during the quarter. Our growth was partially impacted by inventory reduction with key modern retail channel partners. The recently launched premium range of Hit Expert is receiving encouraging traction. Our adjusted EBITDA margin increased by 370 bps, despite higher A&P investments (up 160 bps year-on-year). This was led by rationalised trade promotion spends and Project PI (a cost savings initiative).

Africa, USA and Middle East

Our Africa, USA and Middle East business had a relatively weak quarter with constant currency sales growth of 7% led entirely by volume. Sales in the quarter was impacted by continuing sluggishness in Kenya; the business excluding Kenya grew in double-digits in constant currency terms. Our adjusted EBITDA margin declined by 400 bps year-on-year due to scale de-leverage and upfront investments to scale up the business.

Latin America

We saw a recovery in performance in our Latin America business with 28% constant currency sales growth. Our adjusted EBITDA margin declined by 270 bps year-on-year due to an increase in marketing and sales promotion investments.

Europe

Our Europe business delivered a healthy sales growth of 11% in constant currency terms. The performance was led by strong growth in our own brands. Our adjusted EBITDA margin declined by 230 bps year-on-year due to a one-time reversal of A&P provisions in the base quarter.

ABOUT GODREJ CONSUMER PRODUCTS

Godrej Consumer Products is a leading emerging markets company. As part of the over 120-year young Godrej Group, we are fortunate to have a proud legacy built on the strong values of trust, integrity and respect for others. At the same time, we are growing fast and have exciting, ambitious aspirations.

Today, our Group enjoys the patronage of 1.15 billion consumers globally, across different businesses. In line with our 3 by 3 approach to international expansion at Godrej Consumer Products, we are building a presence in 3 emerging markets (Asia, Africa, Latin America) across 3 categories (home care, personal care, hair care). We rank among the largest household insecticide and hair care players in emerging markets. In household insecticides, we are the leader in India and Indonesia and are expanding our footprint in Africa. We are the leader in serving the hair care needs of women of African descent, the number one player in hair colour in India and Sub-Saharan Africa, and among the leading players in Latin America. We rank number two in soaps in India, are the number one player in air fresheners in India and Indonesia, and a leader in wet tissues in Indonesia.

But for us, it is very important that besides our strong financial performance and innovative, much-loved products, we remain a good company. Approximately 23 per cent of the promoter holding in the Godrej Group is held in trusts that invest in the environment, health and education. We are also bringing together our passion and purpose to make a difference through our 'Good & Green' approach to create a more inclusive and greener India.

At the heart of all of this, is our talented team. We take much pride in fostering an inspiring workplace, with an agile and high-performance culture. We are also deeply committed to recognising and valuing diversity across our teams.

For further information, please contact:

V Srinivasan

Email: v.srinivasan@godrejcp.com (<mailto:v.srinivasan@godrejcp.com>)

Tel: +91 22 2519 4316

Sameer Shah

Email: sa.shah@godrejcp.com (<mailto:sa.shah@godrejcp.com>)

Tel: +91 22 2519 4467

Tapan Joshi

Email: tapan.joshi@godrejcp.com (<mailto:tapan.joshi@godrejcp.com>)

Tel: +91 22 2519 5433

Disclaimer:

The financials disclosed above may differ from the reported financials to reflect the real business financial performance. Some of the statements in this communication may be forward looking statements within the meaning of applicable laws and regulations. Actual results might differ substantially from those expressed or implied. Important developments that could affect the Company's operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations.





(<https://www.youtube.com/godrejcp>)